

**AGENDA**  
REGULAR COMMITTEE OF THE WHOLE MEETING  
SHAW AUDITORIUM, 80 COMMERCIAL STREET, NANAIMO, BC  
MONDAY, 2015-SEP-28, AT 4:30 P.M.

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1. **CALL THE REGULAR COMMITTEE OF THE WHOLE MEETING TO ORDER:**

2. **INTRODUCTION OF LATE ITEMS:**

3. **ADOPTION OF AGENDA:**

4. **ADOPTION OF MINUTES:**

(a) Minutes of the Special Open Committee of the Whole Meeting held in the Shaw Auditorium, 80 Commercial Street, on Monday, 2015-JUL-06 at 4:30 p.m. *Pg. 5-8*

(b) Minutes of the Regular Committee of the Whole Meeting held in the Shaw Auditorium, 80 Commercial Street, on Monday, 2015-JUL-13 at 4:30 p.m. *Pg. 9-14*

5. **PRESENTATIONS:**

NONE

6. **ADMINISTRATION:**

NONE

7. **CORPORATE SERVICES:**

(a) **City of Nanaimo Long Term Financial Planning and Financial Reserves Position**

*Purpose: To provide Council with an overview of the City of Nanaimo's financial reserve position.*

Presentation:

1. Mr. Victor Mema, Director of Finance

Staff Recommendation: That Council receive for information the report pertaining to City of Nanaimo Long Term Financial Planning and Financial Reserves Position.

*Pg. 15-18*

- (b) Minutes of the Terminal/Nicol Corridor Streetscape Project Technical Steering Committee Meetings held:

- 2015-AUG-18 Pg. 19-20
- 2015-AUG-25 Pg. 21-22
- 2015-SEP-01 Pg. 23-24

8. **COMMUNITY SERVICES:**

- (a) **Management and Operating Agreement Renewal – Nanaimo Museum**

*Purpose: To obtain Council approval to allow the Nanaimo and District Museum Society to continue to manage and operate all aspects of the Nanaimo Museum including the collection, preservation, insurance and interpretation of the Museum collection.*

Presentation:

1. Ms. Debbie Trueman, General Manager, Nanaimo Museum

Commission Recommendation: That Council approve renewing the Nanaimo and District Museum Society's Management and Operating Agreement for a five (5) year term with an option to renew for another five (5) year term (as per the current agreement). Pg. 25-40

- (b) **Automated Collection of Solid Waste**

*Purpose: To obtain Council approval to proceed with phased implementation of an automated solid waste collection service for three years, commencing in 2016.*

Staff Recommendation: That Council: Pg. 41-51

1. authorize Staff to proceed with phased implementation of an automated solid waste collection service over three years commencing in 2016 and as outlined in Recommendation Nos. 2, 3 and 4;
2. approve the purchase of six additional automated solid waste collection vehicles: two to be funded by the City's Equipment Replacement Reserve; and, four to be funded by short term borrowing from the Municipal Finance Authority of BC or through internal borrowing from reserves;
3. approve the purchase of approximately 90,000 wheeled bins to be funded by short term borrowing from the Municipal Finance Authority of BC or through internal borrowing from reserves; and,



4. approve commencement of a thorough public consultation and education program to facilitate the implementation of automated solid waste collection.

(c) **Community Wildfire Protection Plan Grant Resolution**

*Purpose: To obtain Council's support for the City's application for a Community Wildfire Protection Plan Grant.*

Staff Recommendation: That Council support the City of Nanaimo application to the Union of British Columbia Municipalities for a Community Wildfire Protection Plan Grant.

*Pg. 52-53*

(d) **Impact of Staffing Levels on Recent Fires in Nanaimo**

*Purpose: To provide information in response to the following Council resolution, made at the Regular Meeting held 2015-AUG-17:*

*"That Council direct staff to prepare a report regarding recent fires in Nanaimo, specifically addressing how a new Fire Station and two member engines would have effected response times and property damage; and how a new Fire Station and four member engines would have effected response time and property damage."*

Staff Recommendation: That Council receive for information the report pertaining to the Impact of Staffing Levels on Recent Fires in Nanaimo..

*Pg. 54-68*

(e) **In-House Parking Services**

*Purpose: To obtain Council's direction prior to 2015-Dec-31 as to whether parking administration be continued in-house or by an external contractor. The Letter of Understanding with CUPE to operate in-house parking services expires on 2015-DEC-31.*

Staff Recommendation: That Council continue with Parking Services and administration as an in-house function and allow the Letter of Understanding with CUPE to expire at the end of 2015.

*Pg. 69-86*

- (f) Minutes of the Advisory Committee on Environmental Sustainability meeting held on 2015-JUL-08. *Pg. 87-89*
- (g) Minutes of the Nanaimo Culture and Heritage Commission meeting held on 2015-JUL-15. *Pg. 90-94*
- (h) Minutes of the Special Open Colliery Dams Select Committee meeting held on 2015-AUG-24 (Unadopted). *Pg. 95-98*

9. **CORRESPONDENCE (not related to a Report to Council):**

- (a) Letter dated 2015-SEP-11 from Ms. Kym Elderkin, BeautyCouncil Western Canada, requesting support in revising current business licence bylaw requirements for cosmetology businesses. *Pg. 99-100*

10. **NOTICE OF MOTION:**

11. **OTHER BUSINESS:**

12. **DELEGATIONS (not related to a Report to Council): (10 MINUTES)**

- (a) Ms. Kyla Karakochuk, United Way Central & Northern Vancouver Island *Pg. 101*

13. **QUESTION PERIOD: (*Agenda Items Only*)**

14. **PROCEDURAL MOTION:**

That the meeting be closed to the public in order to deal with agenda items under the *Community Charter* Section 90(1):

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (b) personal information about an identifiable individual who is being considered for a municipal award or honour, or who has offered to provide a gift to the municipality on condition of anonymity;
- (c) labour relations or other employee relations;
- (f) law enforcement, if the Council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;
- (g) litigation or potential litigation affecting the municipality; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

15. **ADJOURNMENT:**

**MINUTES**  
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,  
80 COMMERCIAL STREET, NANAIMO, BC  
MONDAY, 2015-JUL-06 AT 4:30 P.M.

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**PRESENT:** Mayor W. B. McKay, Chair (vacated 6:54 p.m.)

**Members:** Councillor W. L. Bestwick  
Councillor M. D. Brennan (vacated 6:54 p.m.)  
Councillor G. W. Fuller  
Councillor J. Hong  
Councillor J. A. Kipp  
Councillor W. L. Pratt  
Councillor I. W. Thorpe  
Councillor W. M. Yoachim

**Staff:** E. C. Swabey, City Manager  
T. M. Hickey, General Manager of Community Services  
D. Lindsay, Director of Community Development  
G. Goodall, Director of Engineering & Public Works  
P. Cooper, Communications Manager  
D. Blackwood, Client Support Specialist  
G. Ferrero, Director of Information Technology & Legislative Services  
S. Snelgrove, Recording Secretary

1. **CALL THE SPECIAL OPEN MEETING TO ORDER:**

The Special Open Committee of the Whole Meeting was called to order at 4:30 p.m.

2. **INTRODUCTION OF LATE ITEMS:**

(a) Add Agenda Item 4 (a) Colliery Dam Update and the following delegations:

1. Mr. Jeff Solomon
2. Mr. Matthew O'Donnell
3. Mr. Leon Cake
4. Ms. Geraldine Collins
5. Mr. Ronald Stead
6. Ms. Louise Gilfoy

(b) Remove Agenda Items 4 (b) Property Expropriation, 5 (a) Asset Management, 5 (b) Automation of Sanitation Fleet.

(c) Councillor Fuller advised that Mr. Bill McCallum was in attendance and wished to address Council as a late delegation regarding the Colliery Dam Update.

It was moved and seconded that Mr. Bill McCallum be permitted to address Council as a late delegation with a five-minute time limitation. The motion carried unanimously.

3. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

Mayor McKay spoke regarding the authority of the presiding member of a meeting and safe and respectful workplaces.

4. CORPORATE SERVICES:

(a) Colliery Dam Update

Delegations:

1. Mr. Jeff Solomon spoke regarding the Colliery Dams Technical Committee and the process for the Colliery Dams.
2. Mr. Matthew O'Donnell spoke regarding the Colliery Dams.
3. Mr. Leon Cake spoke regarding the Colliery Dams process and various emails regarding the Colliery dams.
4. Ms. Geraldine Collins spoke regarding auxiliary spillway options.
5. Mr. Ronald Stead spoke regarding engineering reports and dam hazards.
6. Ms. Louise Gilfoy spoke regarding the Colliery Dams and tree removal in the park.
7. Mr. Bill McCallum spoke regarding the Environmental Appeal Board and other dams in British Columbia.

Councillor Kipp vacated the Shaw Auditorium at 5:22 p.m.

It was moved and seconded that Council receive Mr. Bill McCallum's delegation. The motion carried unanimously.

Councillor Kipp returned to the Shaw Auditorium at 5:23 pm.

It was moved and seconded that Council receive the Colliery Dams Update report attached to the Special Open Committee of the Whole Addendum dated 2015-JUL-06. The motion carried unanimously.

It was moved and seconded that Council make no other decisions at the 2015-JUL-06 Special Open Committee of the Whole Meeting regarding the Colliery Dams other than to accept the Colliery Dams Update report.

It was moved and seconded that Council table the motion to make no other decisions at the 2015-JUL-06 Special Open Committee of the Whole regarding the Colliery Dams other than to accept the Colliery Dams Update report. The motion carried.

Opposed: Councillors Brennan, Pratt, Thorpe

It was moved and seconded that Council lift from the table the motion to make no other decisions at the 2015-JUL-06 Special Open Committee of the Whole Meeting regarding the Colliery Dams other than to accept the Colliery Dams Update report. The motion carried unanimously.

The vote was taken on the following motion:

That Council make no other decisions at the 2015-JUL-06 Special Open Committee of the Whole Meeting regarding the Colliery Dams other than to accept the Colliery Dams Update report. The motion carried.

Opposed: Mayor McKay, Councillors Brennan, Pratt, Thorpe

It was moved and seconded that Council direct Staff to:

1. review the information as presented by the delegations at the Special Open Committee of the Whole Meeting held 2015-JUL-06, specifically related to flows at the lower Chase River dam as identified in the 2002-DEC-17 letter report Section 3 (Dam Failure Scenarios), prepared by Water Management Consultants; and,
2. provide to Council any notes that were provided to Golder describing the purpose of the report as referred to in the Golder Reports under "Important Information and Limitations of this Report - Basis and Use of the Report".

The motion carried.

Opposed: Mayor McKay, Councillors Pratt, Thorpe

5. OTHER BUSINESS:

- (a) Councillor Brennan - Request for reconsideration of resolution related to PSAP 9-1-1 Service Delivery Options considered at the Special Open Council Meeting held 2015-JUN-22:

It was moved and seconded that Council reconsider the following motion regarding PSAP 9-1-1 Service Delivery Options:

"10315 It was moved and seconded that Council select Ecomm 9-1-1 as the PSAP 911 service delivery option and direct Staff to implement the option in accordance with the Central Island 911 Partnership Agreement."

Staff advised that in accordance with Section 33 of "Council Procedure Bylaw 2007 No. 7060" the motion cannot be reconsidered as it has been acted upon by an officer, servant or agent of the Municipality.

6. QUESTION PERIOD:

- Mr. Fred Taylor, re: Colliery Dam Update
- Mr. Robert Fuller, re: Colliery Dam Update
- Ms. June Ross, re: Colliery Dam Update
- Ms. Sandi Blankenship, re: Colliery Dam Update
- Mr. Ronald Stead, re: Colliery Dam Update

- Mr. Jeff Solomon, re: Colliery Dam Update

It was moved and seconded that Council, as per Section 132(2) of the *Community Charter*, challenge the decision of the Mayor to not receive further comments from Mr. Solomon regarding the Colliery Dams. The motion carried.

Opposed: Councillors Bestwick, Brennan, Pratt, Thorpe

Councillor Brennan vacated the Shaw Auditorium at 6:54 p.m.

Mayor McKay vacated the Chair and the Shaw Auditorium at 6:54 p.m. Councillor Pratt assumed the Chair.

- Mr. Terry Wagar, re: Colliery Dam Update
- Ms. Janet Irvine, re: Colliery Dam Update

7. ADJOURNMENT:

It was moved and seconded at 7:16 p.m. that the meeting terminate. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER

**MINUTES**  
**REGULAR COMMITTEE OF THE WHOLE MEETING**  
**SHAW AUDITORIUM, 80 COMMERCIAL STREET,**  
**MONDAY, 2015-JUL-13 AT 4:30 P.M.**

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**PRESENT:** Mayor W. B. McKay, Chair

**Members:** Councillor W. L. Bestwick (via telephone – terminated call at 9:04 p.m.)  
Councillor M. D. Brennan  
Councillor G. W. Fuller  
Councillor J. Hong  
Councillor J. A. Kipp  
Councillor W. L. Pratt (arrived at 5:18 p.m.)  
Councillor I. W. Thorpe  
Councillor W. M. Yoachim

**Staff:** E. C. Swabey, City Manager  
T. M. Hickey, General Manager of Community Services  
D. Duncan, A/Director of Finance  
D. Lindsay, Director of Community Development  
Supt. M. Fisher, OIC, Nanaimo Detachment RCMP  
Inspector Cam Miller, Operations Support Officer, Nanaimo Detachment, RCMP  
M. Dietrich, Manager, Police Support Services  
G. Goodall, Director of Engineering & Public Works  
P. Cooper, Communications Manager  
M. Desrochers, Client Support Specialist  
G. Ferrero, Director of Information Technology & Legislative Services  
P. Humphreys, Recording Secretary

**1. CALL THE OPEN MEETING TO ORDER:**

The Regular Committee of the Whole Meeting was called to order at 4:30 p.m.

**2. INTRODUCTION OF LATE ITEMS:**

- (a) Item 8 (c) Colliery Dams – Add “Colliery Dams Update” report, “Colliery Dam Update” report from 2015-JUL-06 Council meeting and the following delegations:
1. Mr. William McCallum
  2. Mr. Jeff Solomon
  3. Ms. Mary Montague
- (b) Councillor Kipp advised that Mr. Leon Cake was in attendance and wished to address Council as a late delegation regarding Item 8 (c) Colliery Dams.

It was moved and seconded that Mr. Leon Cake be permitted to address Council as a late delegation with a five-minute time limitation. The motion carried unanimously.

3. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Regular Committee of the Whole Meeting held in the Shaw Auditorium, 80 Commercial Street, Nanaimo, BC, on Monday, 2015-MAY-25 at 4:30 p.m. be adopted as circulated. The motion carried unanimously.

5. CORPORATE SERVICES:

(a) Quarterly Direct Award Purchases

It was moved and seconded that Council receive for information the report pertaining to Quarterly Direct Award Purchases for the period ending 2015-JUN-30. The motion carried unanimously.

It was moved and seconded that Council direct Staff to prepare a report regarding options to amend "Purchasing Power Delegation Bylaw 2013 No. 7175" related to social procurement policy and local preference, including the triple bottom line issues related to Council's Strategic Plan. The motion carried unanimously.

(b) Quarterly Single Submission Purchases

It was moved and seconded that Council receive for information the report pertaining to Quarterly Single Submission Purchases for the period ending 2015-JUN-30. The motion carried unanimously.

(c) Minutes of the Design Advisory Panel Meeting held 2015-MAY-28.

It was moved and seconded that Council receive for information the Minutes of the Design Advisory Panel Meeting held 2015-MAY-28. The motion carried unanimously.

(d) Minutes of the Planning & Transportation Advisory Committee Meeting held 2015-MAY-27.

It was moved and seconded that Council receive for information the Minutes of the Planning & Transportation Advisory Committee Meeting held 2015-MAY-27. The motion carried unanimously.



6. COMMUNITY SERVICES:

(a) Police Staffing Plan – Budget Presentation

Superintendent Mark Fisher, Officer In Charge, Nanaimo Detachment, RCMP, and Ms. Deborah Duncan, A/Director of Finance, provided a presentation on RCMP budget issues and the financial effects of proposed staffing increases from 2016-2020.

It was moved and seconded that Council receive the presentation regarding the RCMP budget by Supt. Mark Fisher, Officer in Charge, Nanaimo Detachment, RCMP, and Ms. Deborah Duncan, Acting Director of Finance. The motion carried unanimously.

(b) “Slide the City” Event Update

Mr. Tom Hickey, General Manager of Community Services, provided a verbal update on the conditions surrounding the special event permit application for the “Slide the City” event, including water usage amounts in drought conditions and the availability of a water circulation method acceptable to the Vancouver Island Health Authority.

It was moved and seconded that Council direct Staff to advise the “Slide the City” organizers that a recirculation system is required for the event to be allowed and only if Level 3 or 4 watering restrictions are not in place. The motion was defeated.  
*Opposed: Councillors Bestwick, Hong, Kipp, Yoachim and Pratt*

It was moved and seconded that Council direct Staff to advise the “Slide the City” organizers that the City of Nanaimo will not approve a “Special Event Permit” for their event. The motion carried unanimously.

(c) Colliery Dams

It was moved and seconded that Council allow a 10-minute time limit for the delegations of Mr. William McCallum, Mr. Jeff Solomon, and Ms. Mary Montague and a 5-minute time limit for the late delegation of Mr. Leon Cake. The motion carried unanimously.

1. Mr. William McCallum spoke of concerns over the reliability of data gathered regarding the Colliery Dams.
2. Mr. Jeff Solomon spoke in favour of seeking more time to thoroughly investigate an overtopping remediation option.
3. Ms. Mary Montague spoke of remediation options for the Jordan River Dam.
4. Mr. Leon Cake spoke of concerns of misunderstood statistics regarding the Colliery Dams.

(i) Colliery Dams Update

It was moved and seconded that Council receive for information the report pertaining to the Colliery Dams Update. The motion carried unanimously.

(ii) Colliery Dam Update from 2015-JUL-06 Council Meeting

It was moved and seconded that Council direct Staff to undertake design and installation of an Auxiliary Spillway (Labyrinth/Box Culvert, Open Channel alternative) for the Lower Colliery Dam and prepare a conceptual plan for the Middle Colliery Dam that complies with the Dam Safety regulations. And further, that Council advise Staff that Council wishes to cease all legal efforts toward appeal of the Comptroller's orders.

The motion was defeated.

Opposed: *Councillors Bestwick, Fuller, Hong, Kipp and Yoachim.*

It was moved and seconded that Council:

- establish a select committee, membership to be comprised of two councillors and others decided by Staff and Council, for the purpose of completing studies and due diligence on the Colliery Dams;
- the select committee will define the necessary questions/studies including but not limited to; watershed capacity; flow monitoring and establishing flow capacity of lower and middle spillways; statistical analysis of storm frequency and; risk assessment based on the capacity of the spillway, structural integrity of the dam, and the incremental consequences of flooding;
- instruct Staff to draft a Select Committee Terms of Reference for Council approval by 2015-JUL-27; and,
- further; retain Geo Stabilization International (GSI) in order to finalize an overtopping design for the middle dam that meets the small dam regulatory requirements to reduce the risk to the lower dam and spillway and submit the design to the select committee.

The motion carried.

Opposed: *Mayor McKay, Councillors Brennan, Pratt, and Thorpe*

- (d) Minutes of the Advisory Committee on Environmental Sustainability Meetings held 2015-MAR-11 and 2015-MAY-13.

It was moved and seconded that Council receive for information the Minutes of the Advisory Committee on Environmental Sustainability Meetings held 2015-MAR-11 and 2015-MAY-13. The motion carried unanimously.

- (e) Minutes of the Culture and Heritage Commission Meeting held 2015-MAY-06.

It was moved and seconded that Council receive for information the Minutes of the Culture and Heritage Commission Meeting held 2015-MAY-06. The motion carried unanimously.

- (f) Minutes of the Parks and Recreation Commission Inaugural Meeting held 2015-APR-22.

It was moved and seconded that Council receive for information the Minutes of the Parks and Recreation Commission Inaugural Meeting held 2015-APR-22. The motion carried unanimously.

7. CORRESPONDENCE (not related to a Report to Council):

- (a) Letter dated 2015-JUN-18 from Mr. Poma Dhaliwal, President of the Alliance of Beverage Licensees, regarding concerns related to the BC Government's decision to allow wine on grocery shelves and the impact on the BC liquor industry.

It was moved and seconded that Council receive for information the letter dated 2015-JUN-18 from Mr. Poma Dhaliwal, President of the alliance of Beverage Licensees. The motion carried unanimously.

- (b) Letter dated 2015-JUN-23 from Mr. Randy Wilson, Board Chair, BC Private Liquor Store Association, regarding concerns related to Bill 22 which will allow grocery stores to sell BC wines, ciders, beers and distilled products.

It was moved and seconded that Council receive for information the letter dated 2015-JUN-23 from Mr. Randy Wilson, Board Chair, BC Private Liquor Store Association. The motion carried unanimously.

It was moved and seconded that Council direct Staff to prepare a report regarding the 1 kilometre distance criteria separating Licensee Retail stores and BC Liquor Stores. The motion carried unanimously:

8. DELEGATIONS (not related to a Report to Council):

- (a) Mr. Holden Southward was not in attendance.
- (b) Mr. Robert Fuller spoke regarding video recording all meetings of Council.

It was moved and seconded that Council direct Staff to prepare a report with options for video recording Council meetings and Special Council meetings, Committee of the Whole and Special Committee of the Whole meetings held at the City of Nanaimo Service and Resource Centre Room; and that all hardware, software and maintenance costs including Staff and audio recording of "In-Camera" Council meetings be included in the report. The motion carried unanimously.

- (c) Ms. Janet Irvine requested that "Council Procedure Bylaw 2007 No. 7060" be updated to include an instructional document regarding a code of conduct for elected officials and members of the public to improve meeting decorum.

It was moved and seconded to receive the delegation of Ms. Janet Irvine. The motion carried unanimously.

9. QUESTION PERIOD:

- Mr. Fred Taylor, re: auxiliary spillway at Westwood Lake.
- Mr. Mr. Leon Cake, re: purchasing procedures.
- Ms. Sandy Blankenship, re: Colliery Dams.
- Mr. Gary Chandler, re: Colliery Dams.
- A resident, re: emergency relief and Colliery Dams.

- Ms. Vicky Bertram, re: Council Procedure Bylaw 2007 No. 7060.
- Mr. Don Bonner – re: Colliery Dams.
- Mr. Dan Appell, re: Colliery Dams.
- Mr. Ron Bolin – re: questions asked at Council meetings.
- Mr. Jeff Solomon – re: Colliery Dams
- Mr. Ron Stead – re: Colliery Dams
- Mr. Terry Wagar – re: reducing water consumption at water parks.
- Mr. Leon Cake – re: Colliery Dams.
- Ms. Carol Murray – re: Colliery dams.

10. PROCEDURAL MOTION:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter* Section 90(1):

- (c) labour relations or other employee relations;
- (f) law enforcement, if the Council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under Section 21 of the *Freedom of Information and Protection of Privacy Act*; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

The motion carried unanimously.

Council moved into "In Camera" at 9:04 p.m.

Councillor Bestwick terminated the phone call at 9:04 p.m.

Council moved out of "In Camera" at 9:39 p.m.

11. ADJOURNMENT:

It was moved and seconded at 9:40 p.m. that the meeting terminate. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER

# City of Nanaimo

## REPORT TO COUNCIL

DATE OF MEETING: 2015-SEPTEMBER-28

AUTHORED BY: V.Z. Mema, DIRECTOR OF FINANCE

RE: CITY OF NANAIMO LONG TERM FINANCIAL PLANNING AND FINANCIAL RESERVES POSITION

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### STAFF RECOMMENDATION:

That Council receive the report for information.

### PURPOSE:

The purpose of this report is to provide Council with an overview of the City of Nanaimo's financial reserves position.

### SUMMARY:

The City of Nanaimo (the City) is in a stable financial position. Part of this stability is a direct result of deliberate practices to set aside sums of funds or reserves for known and unknown future needs of the City. Between the three funds operated by the City; General, Sewer and Water, the City had \$121,219,887 in various reserves at July 31, 2015. Moving forward, the City will adopt a risk-based financial reserves framework. Such a framework will be supported by a policy statement that provides philosophical basis and related governance.

### BACKGROUND:

This report is provided as part of a series of presentations ahead of discussion of the draft 2016-2020 Financial Plan. The report provides an overview of the City's financial reserve position at the end of July 2015.

Financial reserve funds fall into three categories; Non-Spendable, Restricted and Unrestricted. Attachment A hereto attached provides details of financial reserves held by the City at July 31, 2015. These distinctions are based on governance considerations.

Non-Spendable financial reserves are funds gifted to an organization with a restriction that only interest earned from investing the initial endowed funds designated to be spent on specific programs or initiatives. In other words, only the interest is spendable. The initial endowment is either held in perpetuity or for a term. Such funds are governed by an agreement. The City has one Non-Spendable financial reserve, the Knowles Estate Fund.

Restricted financial reserves are established by law. These reserves are also called Required or Statutory Reserves. In the case of a municipality, such reserves are established through a bylaw adopted by Council or execution of an agreement with an arms-length party. Each bylaw or agreement will then specify a set of restrictions regarding sources and application of funds in the related reserve fund. Related bylaws or agreements have to be amended first before such

funds can be spent on excluded purposes. The majority of financial reserve funds held by the City, eighteen, are restricted.

Unrestricted financial reserves are held for strategic purposes. They are also called Unrestricted Surplus or Discretionary Reserves. Council can appropriate these funds as it sees fit. Of the three types of financial reserves, this group provides greater financial flexibility.

Municipalities hold financial reserves for the following strategic reasons:

- To respond to emerging issues.
- To acquire or replace infrastructure.
- To provide working capital or for cash flow management.

The Finance Department will adopt the “Triple-A Risk-Based Financial Reserve Framework” as a context to managing financial risk and a strategy towards fiscal resilience. The three As are; Accept, Assess and Augment in reference to dealing with risk and developing mitigation measures. The Finance Department accepts that the City is subject to uncertainty. Potential financial impact arising from the uncertainty will be determined to inform responses to a range of potential impact. The risk assessment process would follow the traditional risk assessment process.

As a municipality, the City is subject to primary and secondary risk factors. Primary risk factors include revenue volatility, infrastructure maintenance and replacement and extreme events and public safety. Secondary risk factors include financial leverage, expenditure volatility, liquidity and community growth pressure.

#### DISCUSSION:

Of the \$121,219,887 in financial reserves that the City held at the end of July 2015, \$43,893,550 are Restricted amounts while the balance of \$77,326,337 are Unrestricted.

67% of Restricted financial reserves represent developer cost charges (DCCs). These funds are set aside as contributions by developers to mitigate impact of new development to City infrastructure. Specific projects are listed in each related bylaw limiting expenditure to said projects. In practice, there is a time lag before DCC projects are undertaken. As such, project costs increase over time resulting in significant funding shortfalls. A related challenge is that certain community growth assumptions are made in establishing DCC rates. In cases where contemplated growth does not materialize, less funds are collected in DCCs. Sewer DCC reserves are inadequate to fund Sewer DCC projects planned with the next ten years. DCCs are being reviewed.

19% of Restricted financial reserves are funds set aside for asset management. These are split between equipment replacement funded through an equipment depreciation reserve and funds set aside for other assets. Fleet replacement reserves are inadequate to fund current ten year plan due to low historic recovery rates. A review was undertaken in recent years and appropriate recovery rates are now in place. General asset management reserves were established recently in 2013.

Of the \$77,326,336 in Unrestricted reserves, 55% are uncommitted while 39% and 6% are committed to capital and operating initiatives. The \$42,416,603 in uncommitted financial reserves is split 23%, 35% and 42% between Sewer, Water and General funds. Unrestricted

financial reserves provide the City the most financial flexibility. However, the uncommitted balance also includes funds designated for specific contingencies.

There is an opportunity for the City to adopt best practice in establishing financial reserve balances and appropriating funding consistent with such limits.

Adopting a structured financial reserve framework based on the City's financial risk profile will validate required minimum and maximum reserve fund limits.

In 2016, Staff will draft a Financial Reserves policy for Council's consideration. This process will be guided by the "Triple-A Risk-Based Financial Reserve Framework".

Respectfully submitted,



\_\_\_\_\_  
Victor Z. Mema, CPA, CMA, CTP  
DIRECTOR  
FINANCE

Concurrence by:



\_\_\_\_\_  
Ian Howat  
GENERAL MANAGER  
CORPORATE SERVICES

CITY MANAGER COMMENT:

I concur with the staff recommendation.

## Reserve Balance Analysis

As at July 31, 2015

	<u>Non-Spendable</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Committed to Capital</u>	<u>Committed to Operating</u>	<u>Total</u>	<u>Bylaw</u>	<u>Source of Funds</u>	<u>Application of Funds</u>
General Reserves - Sewer Asset Management - Sewer DCC's - Sewer		\$ 500,423	\$ 9,551,575	\$ 2,068,460	\$ 893,080	\$ 12,513,115	N/A	Annual surplus	Sewer operating and capital
		\$ 2,398,488		\$ 251,204		\$ 751,627	7187	Sewer user fees	Capital - Upgrade, refurbish or replace sewer assets
				\$ 4,556,413		\$ 6,954,900	7066	Developers	Capital - Construct, alter or expand sewer assets
<b>Total Sewer</b>	<b>\$ -</b>	<b>\$ 2,898,910</b>	<b>\$ 9,551,575</b>	<b>\$ 6,876,077</b>	<b>\$ 893,080</b>	<b>\$ 20,219,642</b>			
General Reserves - Water Asset Management - Water DCC's - Water		\$ 861,277	\$ 14,819,911	\$ 8,956,243	\$ 1,060,743	\$ 24,836,897	N/A	Annual surplus	Water operating and capital
		\$ 7,867,972		\$ 656,630		\$ 1,517,907	7188	Water user fees	Capital - Upgrade, refurbish or replace water assets
				\$ 85,845	\$ 2,465,580	\$ 10,419,398	7068/7070	Developers	Capital - Construct, alter or expand water assets
<b>Total Water</b>	<b>\$ -</b>	<b>\$ 8,729,249</b>	<b>\$ 14,905,756</b>	<b>\$ 12,078,453</b>	<b>\$ 1,060,743</b>	<b>\$ 36,774,201</b>			
General Reserves - General			\$ 17,959,272	\$ 3,623,685	\$ 1,702,467	\$ 23,285,424	N/A	Surplus, internal charges, incomplete projects	Operating and capital
Sustainability Initiative		\$ 477,890		\$ 242,558	\$ 430,273	\$ 1,150,721	N/A	Climate action revenue incentive program funds	Operating and capital - Improvements and studies towards sustainability projects
Housing Legacy Reserve		\$ 2,640,241			\$ 168,956	\$ 2,809,197	N/A	Taxation, developers, casino revenues	Operating and capital - housing first strategy projects
Casino Reserve		\$ 170,728				\$ 170,728	N/A	Casino revenues	Shortfalls
General Asset Management Fund		\$ 3,694,304		\$ 2,622,122		\$ 6,316,427	7186	Property taxation	Capital - Upgrade, refurbish or replace transportation, drainage, facilities and parks assets
Cemetery Care Fund		\$ 539,878				\$ 539,878	5302	Plot sales & marker installations	Capital - Cemetery maintenance
Parkland Dedication Fund		\$ 170,815				\$ 170,815	5716	Contributions of cash in lieu of parkland dedication	Capital - Parkland acquisition
Property Sales Fund		\$ 640,742			\$ 445,394	\$ 1,086,136	5717	Proceeds from sale of land	Operating and capital - Any remaining property debt, purchase of land, or other capital assets
Facility Development Fund		\$ 645,859		\$ 858,894	\$ 196,053	\$ 1,700,806	7111	Sale of parks and PRC facilities, and levies set by council for use of facilities	Operating and capital - New parks, facilities, improvements and maintenance of facilities
Community Works Fund		\$ 506,338				\$ 506,338	7026	Federal gas tax revenues	Capital - Emissions reduction, cleaner air or water
Old City Parking Fund		\$ 85,036				\$ 85,036	4737	Developers of Old City commercial properties providing cash in lieu of providing parking	Capital - Off street parking in the Old City neighbourhood
Knowles Estate Fund	\$ 385,952	\$ 56,583				\$ 442,535	7056	Bequeathed from Mr. Arthur Knowles	Operating and capital - South side park and youth facilities
Regional Emission Reduction Fund		\$ 221,215				\$ 221,215	7184	Self assessed based on GHG Emissions	Initiatives toward carbon neutral operations
Equipment Depreciation Fund		\$ 3,202,600		\$ 1,638,582	\$ 75,764	\$ 4,916,947	1093/1107	Internal fleet charges	Operating and capital - Fleet replacement
DCC's - General		\$ 18,827,208		\$ 1,958,181	\$ 38,450	\$ 20,823,840	7065/7067/7069	Developers	Capital - Construct, alter or expand parkland, roads, or drainage
<b>Total General</b>	<b>\$ 385,952</b>	<b>\$ 31,879,439</b>	<b>\$ 17,959,272</b>	<b>\$ 10,944,023</b>	<b>\$ 3,057,357</b>	<b>\$ 64,226,043</b>			
<b>Total</b>	<b>\$ 385,952</b>	<b>\$ 43,507,598</b>	<b>\$ 42,416,603</b>	<b>\$ 29,898,553</b>	<b>\$ 5,011,180</b>	<b>\$ 121,219,887</b>			





## **MINUTES**

### **TERMINAL/NICOL CORRIDOR STREETSCAPE PROJECT (TNCSP)**

Tuesday, 2015-AUG-18 at 7:30 a.m.

Boardroom, 411 Dunsmuir Street, Nanaimo, BC

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**PRESENT:** Mr. Darren Moss, Chair  
Mr. Mike Davidson  
Ms. Pamela James  
Mr. Keith Brown  
Mr. Ian Thompson  
Ms. Leanna Plug  
Mr. Dave Edgar  
Ms. Janelle Erwin  
Mr. Sean Herold  
Mr. Doug Kalcsics  
Councillor Dianne Brennan  
Councillor Bill Bestwick

**STAFF:** Mr. Gordon Foy, Transportation Manager, Engineering Services Section  
Ms. Carla Burgmann, Real Estate Clerk, Real Estate Section

**1. Bus Tour of Corridor**

TNCSP Committee and Staff toured the Corridor.

**2. Call to Order**

The meeting was called to order at 8:15 am.

**3. Approval of Agenda**

It was moved and seconded that the agenda be adopted, motion carried unanimously.

**4. Election of Chair and Vice-Chair**

TNCSP Committee received ratification of membership at the Nanaimo Council meeting 2015-AUG-17. The next order of business is the appointment of a Chair and Vice-Chair.

It was moved and seconded that Mr. Darren Moss be elected as the Chair of the TNCSP Committee.

It was moved and seconded that Councillor Dianne Brennan be elected as the Vice-Chair of the TNCSP Committee and to act in the Chair's absence.

**5. Update on Consultant Request for Proposal (RFP) Process**

There were 3 consultants that were invited to submit an RFP to work with the TNCSP Committee, with 1 consultant unable to commit to the required schedule due to current workload.

A sub-committee was formed to review, interview and score the consultants against a predetermined scoring matrix. A consultant summary was emailed to the TNCSP Committee members on 2015-AUG-11 with a hard copy provided to the members at today's committee meeting.

## TERMINAL/NICOL CORRIDOR STREETSCAPE PROJECT (TNCSP)

Based on the scoring matrix the sub-committee recommends Golder Associates Ltd. (Golder) as the preferred proponent. Mr. Darren Moss has met with Golder to revise the proposal to adjust the scope of work to award Golder Phase 1 and 2 of the 3 Phase project at this time.

Mr. Darren Moss presented the TNCSP Committee with copies of Golder's revised price breakdown and draft budget update for review and discussion.

It was moved and seconded that the TNCSP Committee accept and award the revised fixed fee contract to Golder with the phased approach as presented, motion carried unanimously.

Mr. Sean Herold vacated the SARC Board Room at 8:40 am.

Golder entered the SARC Board Room at 8:40 am.

The TNCSP Committee welcomed Golder to the meeting and confirmed that their revised proposal was selected with the phased contract awarded as presented.

**6. Brainstorm Opportunities/Constraints along Corridor**

Introduction of the Golder group in attendance with introductions of the TNCSP Committee members present around the table.

Golder conducted a "hopes and fears" exercise with the TNCSP Committee members to determine what each committee member would like to see achieved during this project. Each of the TNCSP Committee members provided a hope and a fear with respect to the Corridor, with some discussion and notes taken by Golder for future use.

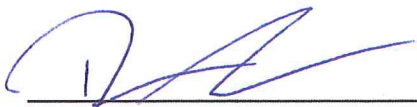
**7. Next meeting**

The next regular meeting of the TNCSP is scheduled for 2015-AUG-25 at 7:30 am.

**7. Adjournment**

The meeting adjourned at 9:25 am.

**APPROVED BY:**

  
\_\_\_\_\_  
**CHAIR**

25 August 2015  
\_\_\_\_\_  
**DATE**



## MINUTES

### TERMINAL/NICOL CORRIDOR STREETScape PROJECT (TNCSP)

Tuesday, 2015-AUG-25 at 7:30 a.m.

Boardroom, 411 Dunsmuir Street, Nanaimo, BC

---

**PRESENT:** Mr. Darren Moss, Chair  
Ms. Pamela James  
Mr. Keith Brown  
Mr. Ian Thompson  
Ms. Leanna Plug  
Mr. Sean Herold  
Mr. Doug Kalcsics  
Councillor Bill Bestwick  
Mr. Russ Irish, Golder Associates Ltd.  
Ms. Jana Zelenski, Golder Associates Ltd.

**STAFF:** Mr. Dale Lindsay, Director, Community Development  
Mr. Gordon Foy, Transportation Manager, Engineering Services Section  
Ms. Carla Burgmann, Real Estate Clerk, Real Estate Section

**1. Call to Order**

The meeting was called to order at 7:34 am.

**2. Approval of Agenda**

It was moved and seconded that the agenda be adopted, motion carried unanimously.

**3. Adoption of Minutes**

It was moved and seconded that the Minutes of the TNCSP Committee meeting held 2015-AUG-18 be adopted as presented with the minor changes to wording. The motion carried unanimously.

**4. Presentation from Block Builders Nanaimo on My Street Event – 2015-SEP-20**

Welcome to Sydney Robertson and Kaitlin Chan to provide the TNCSP Committee with an overview of the My Street Event taking place on 2015-SEP-20.

**ACTION ITEM:** Block Builders to provide a pdf version of the event poster for further promotion by the TNSCP Committee members.

**5. Review Branding Options**

Golder Associates Ltd. presented options to brand the TNCSP Committee along with Project Name ideas for input and discussion with the Committee members. Golder Associates Ltd. is anticipating with further input to have the branding and project name solidified in order to have a project website available for committee review by next week.

Golder Associates Ltd. requested that the TNCSP Committee answer 3 short questions on the reverse side of the handout to reflect feedback on the branding and project naming options. Fine tuning of the brand logo and name will be forwarded by email to the Committee for final selection and voting.

## TERMINAL/NICOL CORRIDOR STREETScape PROJECT (TNCSP)

**6. Review Preliminary Stakeholder Engagement Strategy**

Golder Associates Ltd. provided a handout and overview of the draft engagement strategy and steps with a corresponding tentative timeline. Darren Moss and Golder will review the draft engagement strategy and present a revised strategy at next week's meeting.

**7. Next meeting**

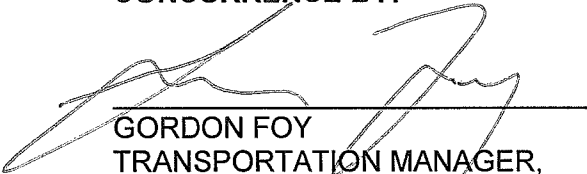
The next regular meeting of the TNCSP is scheduled for 2015-SEP-01 at 7:30 am.

**7. Adjournment**

The meeting adjourned at 9:25 am.

**APPROVED BY:**

DARREN MOSS, CHAIR  
TERMINAL/NICOL CORRIDOR  
STREETScape PROJECT (TNCSP)

**CONCURRENCE BY:**

GORDON FOY  
TRANSPORTATION MANAGER,  
ENGINEERING SERVICES SECTION

**CERTIFIED CORRECT:**

\_\_\_\_\_  
CORPORATE OFFICER



## MINUTES

### TERMINAL/NICOL CORRIDOR STREETScape PROJECT (TNCSP)

Tuesday, 2015-SEP-01 at 7:30 a.m.

Boardroom, 411 Dunsmuir Street, Nanaimo, BC

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**PRESENT:** Mr. Darren Moss, Chair  
Ms. Pamela James  
Mr. Keith Brown  
Ms. Leanna Plug  
Mr. Sean Herold  
Mr. Doug Kalcsics  
Councillor Diane Brennan  
Ms. Jana Zelenski, Golder Associates Ltd.

**STAFF:** Mr. Dale Lindsay, Director, Community Development  
Mr. Gordon Foy, Transportation Manager, Engineering Services Section  
Ms. Karin Kronstal, Planner, Planning and Design  
Ms. Jodi Wilson, Administrative Assistant, Engineering

**1. Call to Order**

The meeting was called to order at 7:34 am.

**2. Approval of Agenda**

It was moved and seconded that the agenda be adopted, motion carried unanimously.

**3. Adoption of Minutes**

It was moved and seconded that the Minutes of the TNCSP Committee meeting held 2015-AUG-25 be adopted as presented. The motion carried unanimously.

**4. Presentation from Golder – Jana Zelenski – (presentation attached)**

Jana Zelenski (Golder) announced to the committee that the Branding process is complete and shared the outcome. Details of the website reviewed, with a few suggestions and requests that Jana will address. Website should be up and running this Thursday. Online media launch will consist of website, twitter and facebook.

Website: [tnreimagined.ca](http://tnreimagined.ca)

Facebook: Terminal Nicol Reimagined

Twitter: @tnreimagined

A general email account will be established, screened and forwarded on to Darren Moss when a response is required. Darren Moss will act as the primary point of contact for the committee.

Discussion period.

**ACTION ITEM:** Website review. Please provide your comments to Jana by Wednesday afternoon, Thursday morning at the latest. Website to go live by the end of Thursday.

## TERMINAL/NICOL CORRIDOR STREETScape PROJECT (TNCSP)

**5. Presentation from City of Nanaimo Planning – Karin Kronstal – (presentation attached)**

Karin Kronstal gave a presentation on the current conditions and future vision along with supporting documents for Nicol Street and Terminal Avenue.

Explanation was provided by Dale Lindsay about the referenced documents, which ones are Bylaws and which ones have been adopted as part of the Official Community Plan (OCP) or Design Guidelines.

Discussion period.

Dale Lindsay left Boardroom at 8:25 a.m.

**6. Presentation from City of Nanaimo Engineering – Gordon Foy – (presentation combined with above Planning presentation)**

Gordon Foy provided a presentation that reviewed the transportation corridor and its traffic data.

Golder/McElhanney are working to validate the current traffic conditions and to assess the traffic impact of different modifications that may be possible along the corridor. This information should be available within the next couple of weeks and will be provided to the committee at this time.

This is a lot of detailed information to absorb to understand the existing traffic conditions and it would be beneficial to have a more concise and user friendly summary sheet of the key points prior to going to public consultation.


Discussion period.

**7. Next meeting**

The next regular meeting of the TNCSP is scheduled for 2015-SEP-08 at 7:30 a.m.

**8. Adjournment**

The meeting adjourned at 9:20 a.m.

**APPROVED BY:**  
\_\_\_\_\_  
DARREN MOSS, CHAIR  
TERMINAL/NICOL CORRIDOR  
STREETScape PROJECT (TNCSP)**CONCURRENCE BY:**  
\_\_\_\_\_  
GORDON FOY  
TRANSPORTATION MANAGER,  
ENGINEERING SERVICES SECTION**CERTIFIED CORRECT:**\_\_\_\_\_  
CORPORATE OFFICER



## City of Nanaimo

### REPORT TO COUNCIL

DATE OF MEETING: 2015-SEP-28

AUTHORED BY: DIANA JOHNSTONE, CHAIR  
CULTURE & HERITAGE COMMISSION

RE: MANAGEMENT AND OPERATING AGREEMENT RENEWAL – NANAIMO MUSEUM

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#### COMMISSION RECOMMENDATION:

That Council approve renewing the Nanaimo and District Museum Society's Management and Operating Agreement for a five (5) year term with an option to renew for another five (5) year term (as per the current agreement).

#### PURPOSE:

To obtain Council approval to allow the Nanaimo and District Museum Society to continue to manage and operate all aspects of the Nanaimo Museum including the collection, preservation, insurance and interpretation of the Museum collection.

#### BACKGROUND:

At the 2015-SEP-02 Culture & Heritage Commission meeting, it was recommended that Council approve renewing the Nanaimo and District Museum Society's Management and Operating Agreement for a five (5) year term with an option to renew for another five (5) year term (as per the current agreement).

The Society successfully transitioned into its present location in the Port of Nanaimo Centre over five years ago. In 2011, Council approved a five (5) year Management and Operating Agreement between the City and Society. This five (5) year agreement had an option to renew for an additional five (5) years.

In its present agreement the City provides the Society with an annual management fee subject to a two percent annual increase (\$364, 940 in 2016). The Society has not requested additional dollars or increases to service levels by the City in the 2016-2020 Management and Operating Agreement (attached). The Society has reviewed the Agreement and is in support of renewing for the 2016-2020 period.

Respectfully submitted,



Diana Johnstone

CHAIR

NANAIMO CULTURE AND HERITAGE COMMISSION

File: 7780-01-N05 Nanaimo District Museum (100 Museum Way)  
G:\Admin - Council & Commission Reports\2015\COUNCILRPT150928-NanaimoDistrictMuseumSociety\_2016-2020 ManagementAndOperating Agreement.doc  
SMS/rb

☐ Council  
☒ Committee... *of the whole*  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2015-SEP-28

# **ATTACHMENT A**

## **MANAGEMENT AND OPERATING AGREEMENT**

**THIS AGREEMENT** made the                      day of                      2015.

**BETWEEN:**

**CITY OF NANAIMO**  
455 Wallace Street  
Nanaimo, British Columbia  
V9R 5J6

(the "**Municipality**")

**OF THE FIRST PART**

**AND:**

**NANAIMO & DISTRICT MUSEUM SOCIETY**  
100 Museum Way  
Nanaimo, British Columbia  
V9R 5J8

(the "**Society**")

**OF THE SECOND PART**

**W H E R E A S :**

- A. The City of Nanaimo (herein called the "City") and the Nanaimo & District Museum Society (herein called the "Society") by Agreement September 2004 agreed that there would be constructed the Vancouver Island Conference Centre (herein called the "Land") a Museum (herein called the "Museum").
- B. It was further agreed that the City shall be the owner of the Land and the Museum and that the Museum be managed and operated by the Society under terms and conditions of a Management and Operating Agreement between the City and the Society.
- C. This Management and Operating Agreement (herein called the "Agreement") is intended to provide the terms of reference for the occupancy, operation and management of the Museum and the obligations of the Society and City in that regard.



- D. This Agreement is intended to provide sufficient flexibility so as to satisfy the Society's mandate and the City's ownership of the Land and the Museum.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the foregoing and the mutual covenant and Agreements set out in this Agreement, the parties covenant and agree each with the other as follows:

## **1.0 LICENSE TO OCCUPY**

- 1.1 The City hereby grants to the Society the right to occupy the Museum upon the Land subject to all of the terms and conditions including earlier termination as set out in this Agreement and as illustrated in Appendix 4.

## **2.0 TERM**

- 2.1 The Society shall have the right to occupy the Museum for a term of five consecutive years commencing January 01, 2016, and ending December 31, 2020, unless earlier terminated in accordance with the terms and conditions of this Agreement at which date the right to occupy shall cease.

### **2.2 Renewal Options**

Provided that the Society is not in default under this Agreement, the Society may, by delivering notice in writing to the City ninety (90) days before the 5<sup>th</sup> anniversary of the Commencement Date, renew this Agreement for a further term of five (5) years on the same terms and conditions as are herein contained save and except for the renewal option. The City and the Society shall meet at least one (1) year prior to the termination of the Agreement and negotiate the provisions for a further term, or terms, subject to the approval of City Council to renewal. If Agreement has not been reached by the expiry date of this Agreement, then the Society will continue to remain in occupation of the Museum, on a month to month basis, on the terms and conditions set out in this Agreement.

## **3.0 THE SOCIETY AS MANAGER AND OPERATOR (See appendix 2 for other sites)**

- 3.1 The City hereby grants to the Society the right to manage and operate all aspects of the Museum for the Term in accordance with and subject to the terms and conditions set forth in this Agreement. The Nanaimo & District Museum Society shall collect, preserve, insure and interpret the collection on behalf of the City of Nanaimo and its citizens. The City will designate a representative to deal on its behalf with the affairs of the Museum, herein after called the City of Nanaimo.

3.2 Rules and Regulations

The Society shall make such rules and regulations as are required to provide for the proper operation and management of the Museum provided that such rules and regulations shall not be inconsistent with:

- a) the bylaws of the Society;
- b) the provisions, terms and conditions of this Agreement; and
- c) all applicable Federal, Provincial and City laws, by-laws and regulations.

3.3 Access and Use

The Society shall use the Museum to accommodate all types of temporary and permanent exhibits, public and school programming, gift shop and venue rental for public and private assembly activities. Access to and use of the Museum by members of the Society and by the general public shall be in accordance with guidelines developed by the Society for the operation of the Museum, drawing where appropriate on relevant guidelines contained in City documents.

3.4 Programming and Operation

The Society shall be responsible for all aspects of the operation of the Museum (save those exclusively to be performed by the City as described in this Agreement) including without limitation:

- a) all programming and booking of all events in the Museum;
- b) all responsibilities and functions delegated by the Society to the General Manager of the Museum, herein after called the General Manager.
- c) Appendix 2 describes the Museum interpretation responsibilities for the Bastion, the locomotive shelter and the Miners cottage in Piper Park. The City will be responsible for all maintenance with these buildings and the Museum shall assist wherever possible.

3.5 Ownership

The Society shall own and be responsible for all exhibit, shop, office and other fixtures and furnishings of the Museum as listed in Appendix 1.

3.6 Powers and Duties of the Society Negotiation and Signing of Agreements

The Society shall be responsible for the negotiation of all Agreements with third parties for the use or occupancy of the Museum. Except as otherwise provided in this Agreement, the Society shall have the power to make any Agreement in respect of the Museum which relates to the long-term operation, use or occupancy of the Museum during the period of time that the Society has the right to occupy the Museum under this Agreement.

3.7 Payment of Expenses and Operating Costs

The Society shall be responsible for the general administration of the Museum and, without limiting the generality of the foregoing; this shall include all expenses incurred in the operation and management of the Museum.

3.8 Museum Policy

All policy governing the operations of the Museum shall be in accordance with the provisions of this Agreement and shall be approved and determined by the Society with the Society being responsible for initiating such policy. The Society shall inform the City of Nanaimo with respect to policy matters and shall keep the City Council advised.

#### **4.0 REPAIR AND MAINTENANCE OF THE MUSEUM (see Appendix 1, 2 & 3 for Detail)**

- 4.1 (a) The Nanaimo & District Museum Society is responsible for all Museum furnishings, fixtures and equipment purchase, repair and maintenance. (see appendix 1 for detail.)

- (b) The City is responsible for maintaining and repairing the roofs, exterior walls and windows, external horticulture, outside sidewalks, foundations and electrical, heating, ventilation and air conditioning units.

#### **4.2 Entrances, Sidewalks, Snow and Ice Removal**

The City shall be responsible for the maintenance of and snow removal from the access roads, walkways, plaza and sidewalks. The Society will be responsible for the cleaning of and snow removal from the sidewalk directly adjacent to the Commercial St. entrance of the Museum.

#### **4.3 Liens**

In the event that any claim of builders lien is registered against the title of the Land pursuant to the provisions of the *Builders Lien Act* with respect to any work performed pursuant to Item 7.1 herein, then the Society shall, within 30 days notification thereof, cause any such claim to be discharged from the title of the Lands. Should the Society fail to discharge any such lien within the time aforesaid, the City shall have the right to make application pursuant to Section 32 of the *Builders Lien Act* to have sufficient funds paid into Court to cause any such lien to be discharged from the title of the Land and the Society shall be responsible for payment to the City of any such sum, together with the costs thereof calculated on a solicitor and own client basis.

#### **5.0 MAINTENANCE OF INSURANCE**

##### **5.1 Property Insurance**

The City shall insure the Museum building and fixtures against the perils and under the terms and conditions that the City insures other similar types of buildings and fixtures owned by the City. The Society shall insure the contents and equipment of the Museum.

##### **5.2 Liability Insurance**

The Society shall provide and maintain comprehensive General Liability Insurance, with the City to be an additional named insured to cover the functions of both parties in the management and operation of the Museum and its various facilities in the minimum amount of THREE MILLION (\$3,000,000) DOLLARS. Such liability insurance shall be in the standard form carried by the City, and approved through the City of Nanaimo. The policy shall provide for 30 days notice to the City before cancellation and should such policy lapse or be cancelled the City may, at the cost of the Society, place insurance as provided in this section.

##### **5.3 Effects Insurance**

The Society shall not, without the prior consent of the City, permit anything to be brought into the Museum that would invalidate or increase the premium payable for policies of insurance held by the City or the Society in relation to the Museum or that would injure or deface the Museum. The Society in its contractual arrangements will undertake to assign culpability to contractual users of the Museum, and ensure that adequate Effects Insurance is provided.

5.4 Indemnification of City

The Society will indemnify and save harmless the City from and against any and all liabilities, obligations, damages, penalties, claims, costs (including reasonable solicitors' fees), fines, suits, demands and causes of action to, by or on behalf of any person, group, firm or corporation arising from the occupation or use of the Museum by the Society or its invitees, employees, agents, members or any other person or persons for whose acts the Society is liable in law, or from any breach of the Society of any covenant, term or provision of this Agreement by the Society or its members, servants or agents or that might arise during the occupancy of the Museum by the Society under this Agreement; save and except where any such matter is the cause of an act by the City or anyone for whom the City is in law responsible.

5.5 Strikes

The Society in its contractual arrangements with users will absolve itself of liability arising out of strikes or lockouts and thereby release the City from any responsibility or liability whatsoever that might arise out of the City failing to provide the Museum or any services to the Museum under the terms of this Agreement arising out of any strike or lockout between the City and its employees or as a result of any other labour dispute, provided reasonable notice of any situation that might give rise to a labour action has been provided to the Society such that the Society has had the opportunity to modify its operations to minimize its risk.

**6.0 ACCOUNTING, FINANCES AND REPORTING**

6.1 Financial Records

Proper and separate books of account and financial records of the Museum's operation, as required by the Society Act, shall be kept by the Society at its expense during the occupancy by the Society of the Museum. The City of Nanaimo or any person authorized by the City shall have free access to the Society's financial records at all reasonable times and notice.

6.2 Budget

The Society's Board of Directors shall approve its annual Operating and Capital Budgets. The budget shall be submitted to the City of Nanaimo.

6.3 Annual Audit Statement

The Society will prepare and deliver to the City on an annual calendar year basis an audited statement of expense and income with respect to all revenues from and expenses for the use and operation of the Museum as well as an audited statement of all related assets and liabilities. The Society will cause such annual financial statements to be audited by its auditor and thereafter submitted to the City of Nanaimo for consideration no later than April 30<sup>th</sup> in each year.

6.4 Financial Statements

The Society shall provide quarterly unaudited financial statements to the City's Representative and Director of Finance.

6.5 Annual Report

The Society shall submit an annual report to the City Council's Culture and Heritage Commission stating the previous year's operating and capital results and the previous year's operation statistics.

6.6 City's Financial Contribution

The City will consider each year the inclusion in its budget a 2% increase to the annual management fee to the Society to be paid in equal quarterly amounts at the beginning of the quarter. The Society may submit a request for consideration to increase the amount of the annual fee for a higher service level need. The Society shall participate in the City budget preparation process through the City's Culture and Heritage Commission.

6.7 Revenue

All revenue obtained from operations shall become the property of the Society. The Society covenants and agrees that all revenue shall be used exclusively for the Museum operations.

6.8 Surplus

Should there be a surplus in any year as a result of operating revenues and the City contribution exceeding operating costs, the Society shall be entitled to retain the surplus for operations and reserves. The Society will not incur a deficit in excess of available accumulated surpluses. The City will be aware of the Society's financial performance during a year through the quarterly reporting mechanism outlined in Item 13.1.

6.9 Adjustments

The City will consider requests from the Museum for adjustments regarding the overhead billings from the Vancouver Island Conference Centre to be determined at annual review.

6.10 Storage

The Old Museum building shall be available to the Society as per the terms of the Lease between the City of Nanaimo and the Nanaimo & District Museum Society for that building. The City will work with the Society for supplementary space for these needs as to maintain the "A" status of the new Museum facility.

**7.0 EVENTS OF DEFAULT AND REMEDIES**

7.1 Termination

This Agreement may be terminated by the Society or the City upon giving to the other party six months notice of its intention to terminate, such notice to be given in writing on the last day of any month.

7.2 Termination for Breach

Upon breach by the Society of any term or condition of this Agreement, the City may give to the Society 30 days notice to commence action to correct such breach to the satisfaction of the City, and if such breach is not corrected within an agreed reasonable period, the City may without further notice declare this Agreement terminated and may enter into possession of the Museum and retain all moneys received by the Society under this Agreement and may recover all fees, costs and damages due to the City under this Agreement by suit or otherwise.

7.3 Termination for Other Reasons

In the event that:

- (a) The Society shall make an assignment for the benefit of creditors; or
- (b) The Society, for an unjustifiable reason fails to hold a general meeting of members for a period of eighteen (18) months or longer; or
- (c) The Society becomes bankrupt or insolvent or takes the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors; or
- (d) Any order shall be made for the winding up of the Society; or
- (e) The Society is struck off the Register by the Registrar for any just reason whatsoever;

the City may give to the Society 30 days notice to rectify the matter in question after which time, if the problem is not rectified to the satisfaction of the City, the right to occupy the Museum by the Society shall be terminated.

7.4 Vesting on Termination

In the event that the City terminates this Agreement in accordance with the terms and conditions contained herein, or in the event this Agreement expires without further renewals, then the City will assume all outstanding contractual obligations and debts and maintenance of the collection (as per unalterable Clause 4 of the Nanaimo & District Museum Society's Constitution).

7.5 Tenders

The Society agrees that it shall adhere to a competitive system of tendering for purchased goods and services for the Museum. Purchasing Policy shall be as approved by the Society. The Society shall have the option of joining with the City on tenders or to purchase merchandise from City suppliers.

7.6 Amendments

All amendments proposed to the terms and conditions of this Agreement shall be submitted in writing for consideration.

7.7 Communications

All communications relating to this Agreement between the Society and the City (apart from the ongoing exchange of operating information), shall be done in writing.

7.8 Notices

Any notice herein provided or permitted to be given by the Society to the City shall be sufficiently given if delivered to the City at:

City Hall  
455 Wallace Street,  
Nanaimo, BC V9R 5J6  
Attention: Director, Parks and Recreation

Any notice herein provided or permitted to be given by the City to the Society shall be sufficiently given if delivered to the Society addressed to:

Nanaimo & District Museum Society  
100 Museum Way  
Nanaimo, BC V9R 5J8  
Attention: General Manager

Either party may at any time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address for such party for the giving of notice there under. The word “notice” in this paragraph shall be deemed to include any request, statement or other writing in this Agreement provided or permitted to be given by the City to the Society or by the Society to the City. Such notices may be given by personal delivery, mail or by fax and if given by mail shall be deemed to have been received five days after the date of mailing.

7.9 Conflict of Interest

Society Board Members and Staff shall be subject to the Society’s “Conflict of Interest” policies.

7.10 Appeals

In the event that Agreement between the City of Nanaimo and the Society cannot be reached on matters involving the City’s and/or Society’s interests, the Society or the City of Nanaimo may appeal the matter to the City Council. A decision of the Council shall be final and be binding on all matters which require City consent or approval.

7.11 Agents

It is understood and agreed that the Society and all agents, servants and employees of the Society are not and shall not be deemed to be agents, servants or employees of the City.

7.12 Assignment

This Agreement shall enure to the benefit of and be binding upon the parties hereto. This Agreement is personal to the Society and cannot be assigned to any other person.

7.13 Interpretation

Wherever the singular and masculine are used throughout this Agreement the same shall be constructed as meaning the plural or feminine or the body corporate or politic as the context requires.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as on the \_\_\_\_\_ day  
of \_\_\_\_\_ 2015.

by its authorized signatories )  
 )  
 )  
 )  
\_\_\_\_\_)  
Mayor )  
 )  
 )  
\_\_\_\_\_)  
Corporate Officer )  
 )

by its authorized signatories )  
 )  
 )  
\_\_\_\_\_)  
President of the Board )  
NANAIMO & DISTRICT MUSEUM SOCIETY )  
 )  
\_\_\_\_\_)  
General Manager )  
Nanaimo Museum )

**SIGNED, SEALED AND DELIVERED** )  
in the presence of: )  
 )  
 )  
 )

\_\_\_\_\_)  
Witness (please print) )  
 )  
\_\_\_\_\_)  
Address )  
 )  
\_\_\_\_\_)  
Occupation )

\_\_\_\_\_  
Witness Signature



## **APPENDIX 1**

### **Equipment/Fixtures Owned and Maintained by Museum**

- All shelving and other storage contents of Artifact Storage area.
- All exhibit and display components including non track lighting fixtures and all video/audio components and monitors and signage in building.
- All cupboards and counters in all areas of Museum.
- All Lighting and track systems.
- All office, kitchen, gift shop and other furniture and fixtures except for VICC chairs and tables.
- All carpentry and maintenance equipment and supplies.
- All computer equipment.

## **APPENDIX 2**

### **The Bastion, Locomotive Shelter and Miners Cottage**

The Museum responsibilities for these sites include:

- Interpretation and admittance to the public during times set by the Museum.
- Notice to the City of any recognized maintenance needs.
- Installation and maintenance of all exhibit materials.
- Posted summer hours open to the public for the Bastion including regularly scheduled cannon firings.
- Cannon maintenance.
- Fundraising for all interpretive and exhibit costs.
- Insure contents.

City Responsibilities for these sites includes:

- All building maintenance.
- Annual contribution for Bastion summer program of \$15,000 to be included in annual operating grant total.
- Moving and storage of cannons as requested by Museum.
- Insure the buildings.

## **APPENDIX 3**

### **Repair and Maintenance Detail Museum Area**

The Society takes responsibility for notifying the City of any system failure, anticipated failure or damage in a timely fashion. The City shall have a representative meet with the Society on a regular basis to ensure that communication and planning coordination is current.

All planning and execution of these repairs / replacement jobs shall be done by the Society, or in coordination with the Society, to ensure that operational impact is kept to a minimum.

#### **1. Electrical**

The City is responsible for:

- Maintenance of all electrical feed to the museum space.

The Society is responsible for:

- Maintenance of all breaker panels, all electrical equipment and distribution at 120volt.
- Installation of additional circuits as required.

#### **2. HVAC**

The City is responsible for:

- Maintenance contract for HVAC system.
- Inspection, maintenance (routine and annual) and repair of all working parts.

#### **3. Plumbing / Water**

The City is responsible for:

- Maintenance and repair of all water connections leading to and from the Museum.
- Maintenance, repair and inspection of pipes involved in building systems located within Museum space.

The Society is responsible for:

- Ongoing maintenance of hot and cold water systems within the museum, for all plumbing fixtures and water connections within the museum space.
- Replacement of domestic hot water tanks.

#### **4. Structural**

The City is responsible for:

- Maintaining and repairing exterior walls and building foundations.
- Elevators repair and maintenance.

## **5. Fire Suppression / Fire Alarm / Sprinkler**

The City is responsible for:

- All components of fire alarms and suppression systems within and leading to museum.
- Ongoing maintenance and care.
- Annual testing and inspection.

## **6. Interior Surfaces**

The Society is responsible for:

- Maintenance and repair of all interior surfaces as required, including all interior doors and hardware.

## **7. Exterior**

The City is responsible for:

- All exterior wall finishes, plaster, paint.
- All window repairs due to breakage and system failure.
- Window maintenance and trim.
- Landscaping and sidewalk maintenance.
- Garbage pick-up of sidewalk trash cans.
- Painting of all exterior handrails.
- Maintenance of exterior exit doors including automatic doors.

The Society is responsible for:

- Snow removal on sidewalks directly adjacent to Commercial Street entrance door.
- Window cleaning of museum windows inside and out.
- Our share of garbage and recycling contract for removal.

## **8. Alarm and Security**

The City is responsible for:

- Repair and maintenance of alarm and security systems.

The Society is responsible for:

- Security costs within the museum space.

## **9. Janitorial/Housekeeping**

The City is responsible for:

- Exterior wall and sidewalk cleaning including graffiti removal.

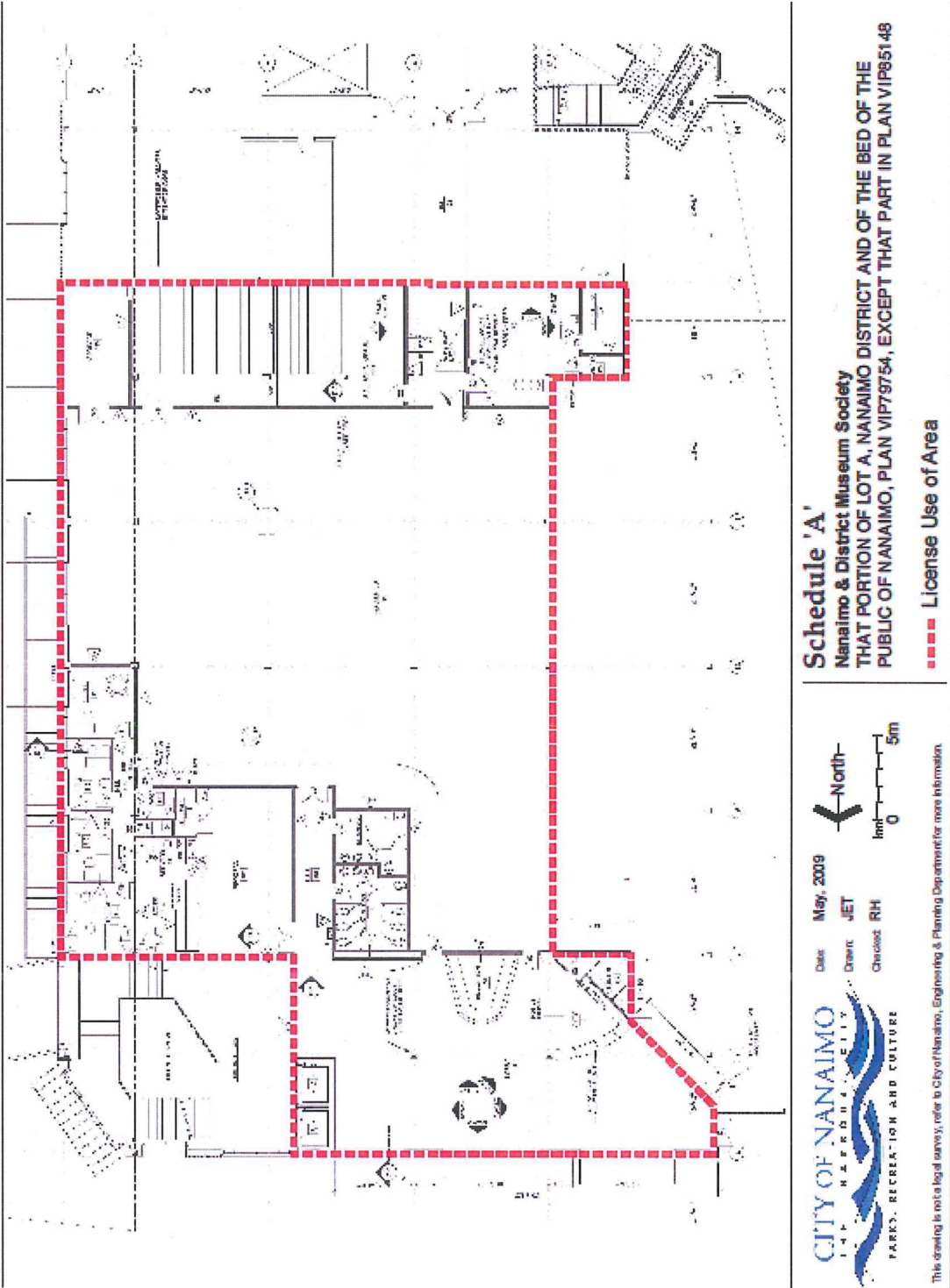
The Society is responsible for:

- All interior janitorial cleaning within Museum space.

## **APPENDIX 4**

### **Museum Floor Plan**

The Municipality is the owner of land described as: that portion of Lot A, Nanaimo District and of the bed of the public of Nanaimo, Plan VIP79754, except that part in Plan VIP85148.



# City of Nanaimo

## REPORT TO COUNCIL

DATE OF MEETING: 2015-SEP-28

AUTHORED BY: C. DAVIS, MANAGER  
SANITATION, RECYCLING AND PUBLIC WORKS ADMINISTRATION

RE: AUTOMATED COLLECTION OF SOLID WASTE

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STAFF RECOMMENDATION: That Council:

1. authorize Staff to proceed with phased implementation of an automated solid waste collection service over three years commencing in 2016 and as outlined in Recommendation Nos. 2, 3 and 4;
2. approve the purchase of six additional automated solid waste collection vehicles: two to be funded by the City's Equipment Replacement Reserve; and, four to be funded by short term borrowing from the Municipal Finance Authority of BC or through internal borrowing from reserves;
3. approve the purchase of approximately 90,000 wheeled bins to be funded by short term borrowing from the Municipal Finance Authority of BC or through internal borrowing from reserves; and,
4. approve commencement of a thorough public consultation and education program to facilitate the implementation of automated solid waste collection.

PURPOSE:

To obtain Council approval to proceed with phased implementation of an automated solid waste collection service for three years, commencing in 2016.

BACKGROUND

Following a Staff report received on 2015-JUN-22, Council approved the purchase of two new tandem axle, split stream automation ready trucks. These vehicles have not yet been purchased however it is planned that they will be purchased in fall 2015 and come into service in 2016.

On 2015-AUG-31 Council received a presentation regarding the potential benefits of implementing a complete automated solid waste collection system. Following the presentation, Council directed staff to return with this report. It was requested that this report:

1. Provides an option to purchase the entire automated garbage fleet in one Request For Proposal in order to take advantage of all incentives being offered, and,
2. Factors in the cost of purchasing trash receptacles, and
3. Considers all other related financial implications.

☐ Council  
☒ Committee... of the Whole  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2015-SEP-28

## DISCUSSION

The automation of the City's solid waste collection services provides the opportunity to reduce staff injury rates and vehicle downtime, whilst at the same time increasing the level of service delivery to our residents and, in the long term, reducing user rates.

### **Purchase of Vehicles**

Staff proposes to replace the entire current manual sanitation fleet with automation ready vehicles using an accelerated fleet replacement schedule (see Appendix A).

Council have already approved the purchase of two automation ready vehicles (to replace Units 313 and 314) however the purchase of the replacement vehicles has not yet been made.

Staff recommends that Council approve the full fleet replacement schedule as outlined in Appendix A so as to allow the City to source the entire fleet from one vendor and therefore benefit in the following ways:

1. Price reductions- A discount of an expected 5% per vehicle (around \$20,000 per large vehicle equalling \$120,000 savings over the entire fleet).
2. Uniformity of parts and servicing requirements.
3. The potential to trade in current fleet against new vehicles; thus reducing tax on vehicle sales.
4. Fixed prices- Following the initial round of purchasing, prices would be fixed for subsequent purchasing periods with the exception of exchange rates, freight rates and unforeseen issues.

Notice of the intention to purchase from one vendor will be provided in the initial procurement documents provided by the City's purchasing department. Any agreements based on these terms will be subject to satisfactory performance on the part of the successful bidder.

### **Funding of Vehicle Purchase**

Staff propose a combination of phased short term borrowing from the Municipal Finance Authority of BC (MFA) or from internal reserves and usage of the Equipment Replacement Reserve to purchase the new fleet (see Appendix A). The equipment replacement reserve does not have adequate money to replace the fleet completely.

### **Diesel vs Compressed Natural Gas (CNG) Fuelling**

Where possible the City pursues the usage of alternative fuels for reasons including financial efficiencies and emission reductions. For these reasons the potential to power the new Solid Waste collection fleet with CNG is considered preferable to Diesel.

There are presently limited options in Nanaimo for CNG fuelling however; the purchase of eight vehicles to be fuelled by CNG could serve to secure the future of a proposed CNG fuelling station within close proximity to the Public Works Yard. At present a third party owned facility located at the corner of Boxwood and Northfield Road is in the early stages of construction. From discussions with the third party, staff understands that the City's intention to purchase CNG vehicles over Diesel could secure the build-out of the CNG portion of the build. Construction of this facility is due to be completed by summer of 2016.

It is expected that CNG vehicles will be more expensive than diesel fueled vehicles. Fortis BC has committed to cover up to 70% of the increased capital costs with rebates totalling approximately \$200,000.



Staff feel that the business case for CNG over diesel is strong with the lifecycle savings of \$424,883 for the whole fleet (see Appendix B).

It is understood that the build of the CNG fuelling station should be secured by the time the first vehicle orders are scheduled to be placed in fall 2015. If the build is not secured at this time diesel fuelled vehicles will be purchased.

### **Purchase of Wheeled Bins**

Staff recommend a single vendor purchasing methodology for the purchase of approximately 90,000 wheeled bins to be completed in three stages.

A single vendor purchasing methodology for wheeled bins offers the following benefits:

1. A more competitive price based on large order size.
2. Fixed prices- Securing the best price available at the time of the initial purchase for subsequent purchasing stages (excluding plastic resin prices and freight rates which cannot be fixed).
3. Uniformity of parts and servicing requirements.

Staff proposes to purchase the bins using short term borrowing from the MFA or through internal borrowing from reserves. Repayments will be over a period of eight years.

At the time of roll out the city will provide all homes with wheeled carts. Any homes built after this time will be expected to purchase a set of bins from the City at cost.

### **Implementation Timeline**

Staff recommend a phased implementation over three years with the following benefits:

- Allows time to better address operational change allowing staff and residents the opportunity to learn during the first phase of implementation and to make operational “tweaks” during the rollout.
- Immediate implementation is expected to reduce injury rates to refuse collectors on both automated and manual routes.
- Minimises user fee increases during implementation phase.

If Council wish to proceed with a three year implementation period commencing as soon as possible staff feel that the whole City would receive automated collection of solid waste by fall/winter 2018. See appendix C for a proposed implementation schedule.

### **Financial Implications**

The 2015 user rate for manual Solid Waste Collection services in the City is \$99.75 per household per year. The 2016 user rate for manual collection is expected to be \$101.25 per household per year. Figure 1 sets out the proposed impact to user rates should Council decide to proceed to automated collection services as laid out in Appendix C. The user rates in Figure 1 are based upon CNG vehicles with Fortis BC incentives applied. Staff considers this to be the most likely outcome.

**Figure 1. A comparison of proposed user rates for automated collection versus manual collection**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Manual User rate (\$)	125.75	110.50	99.750	101.25	102.75	104.25	105.50	107.08	108.69	110.32	111.97	113.65
Automated User rate (\$)				109.40	114.04	116.69	114.70	113.98	112.70	112.13	105.14	94.12
Change (\$)				8.15	11.29	12.44	9.20	6.89	4.01	1.81	(6.83)	(19.53)

Appendix D provides a full breakdown of financial implications to the current user rate incurred by purchasing vehicles, purchasing wheeled carts and implementing automated collection of solid waste over the proposed implementation timeline. Each of the vehicle fuelling options are detailed here. They are:

- A. CNG with Fortis BC incentives (as per Figure 1 and considered to be the most likely option); or,
- B. Diesel fuel.

Appendix E provides a breakdown of the current user rate for manual collection of solid waste.

### **Public Consultation**

Staff recommend engaging in a comprehensive period of public consultation through which some of the operational intricacies of the system can be designed and residents can be educated. Items to be consulted with the public on could include:

1. Bin size,
2. User rates based on bin size (pay as you throw),
3. The potential to offer curbside collection of yard trimmings,
4. Wider community benefits- e.g. the potential to offer reductions for those who produce more waste due to medical reasons,
5. Effective communications strategies for targeting all residents.

### **SUMMARY**

The above Staff recommendations can be summarised as follows:

1. Three year phased implementation of the provision of solid waste collection services across the City; commencing in fall 2016 and ending in fall 2018.
2. Single vendor purchasing of eight automation ready, solid waste collection vehicles.
3. Single vendor purchasing of approximately 90,000 wheeled bins.
4. Utilization of short term borrowing from MFA or internal borrowing from reserves to purchase four large automated solid waste collection Vehicles and 90,000 wheeled bins.
5. Working with a third party to secure the construction of a centrally located CNG fuelling station.
6. Utilization of Fortis BC incentives.
7. A thorough public consultation program to engage, educate and understand the wishes of Nanaimo residents.

Should council approve the system as laid out in this report staff will immediately action the purchasing process for the vehicles and the wheeled carts as well as begin to design and implement a public consultation plan.

Respectfully submitted,



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Charlotte Davis  
MANAGER,  
SANITATION, RECYCLING &  
PUBLIC WORKS ADMINISTRATION



---

Geoff Goodall  
Director,  
Engineering and Public Works



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Tom Hickey  
General Manager, Community services

CITY MANAGER COMMENT:

I concur with the Staff recommendation.

**Appendix A.**

Proposed accelerated fleet replacement schedule and funding methods

<b>Unit #</b>	<b>Make</b>	<b>1<sup>st</sup> Year of service</b>	<b>Scheduled Replacement Year</b>	<b>Recommended Replacement Year</b>	<b>Accelerated</b>	<b>Funding Method</b>
<b>310</b>	Shupak	1995	2010	Disposal 2016, no replacement.		n/a
<b>312</b>	Shupak	1997	2012	Disposal 2016, no replacement.		n/a
<b>313</b>	Shupak	1997	2015	2016 - Large Unit		ERR
<b>314</b>	Mac Labrie	1999	2014	2016 - Large Unit		ERR
<b>315</b>	Expeditior	2008	2023	2017- Large Unit		MFA
<b>316</b>	Expeditior	2008	2023	2017 - Large Unit		MFA
<b>430</b>	Shupak - Split	2011	2026	2017- Small Unit		ERR
<b>431</b>	Shupak - Split	2012	2027	2018 - Large Unit		MFA
<b>432</b>	Shupak - Split	2011	2026	2018 - Large Unit		MFA
<b>433</b>	Shupak - Split	2012	2027	2018 - Small Unit		ERR

## Appendix B.

### CNG Business Case

Financial cost benefit analysis:		Capital Investment:										
Assumptions:		Assumptions:										
Average annual litres of diesel per year	17,452 Units 430-433 in 2014	Price differential CNG vs Diesel 63,500										
2014 average diesel rate	1.178	Additional delivery cost										
Average diesel rate per litre 2012/2013	1.137	Total 63,500										
Fortis rate for CNG per diesel litre equivalent (DL \$ 0.75		Estimated useful life (yrs) 10										
Increase in fuel consumption CNG to diesel 5%												
Maintenance costs are anticipated to be similar for both units												

Does not include project to upgrade shop to allow for work on CNG vehicles in-house (est. at \$60,000)

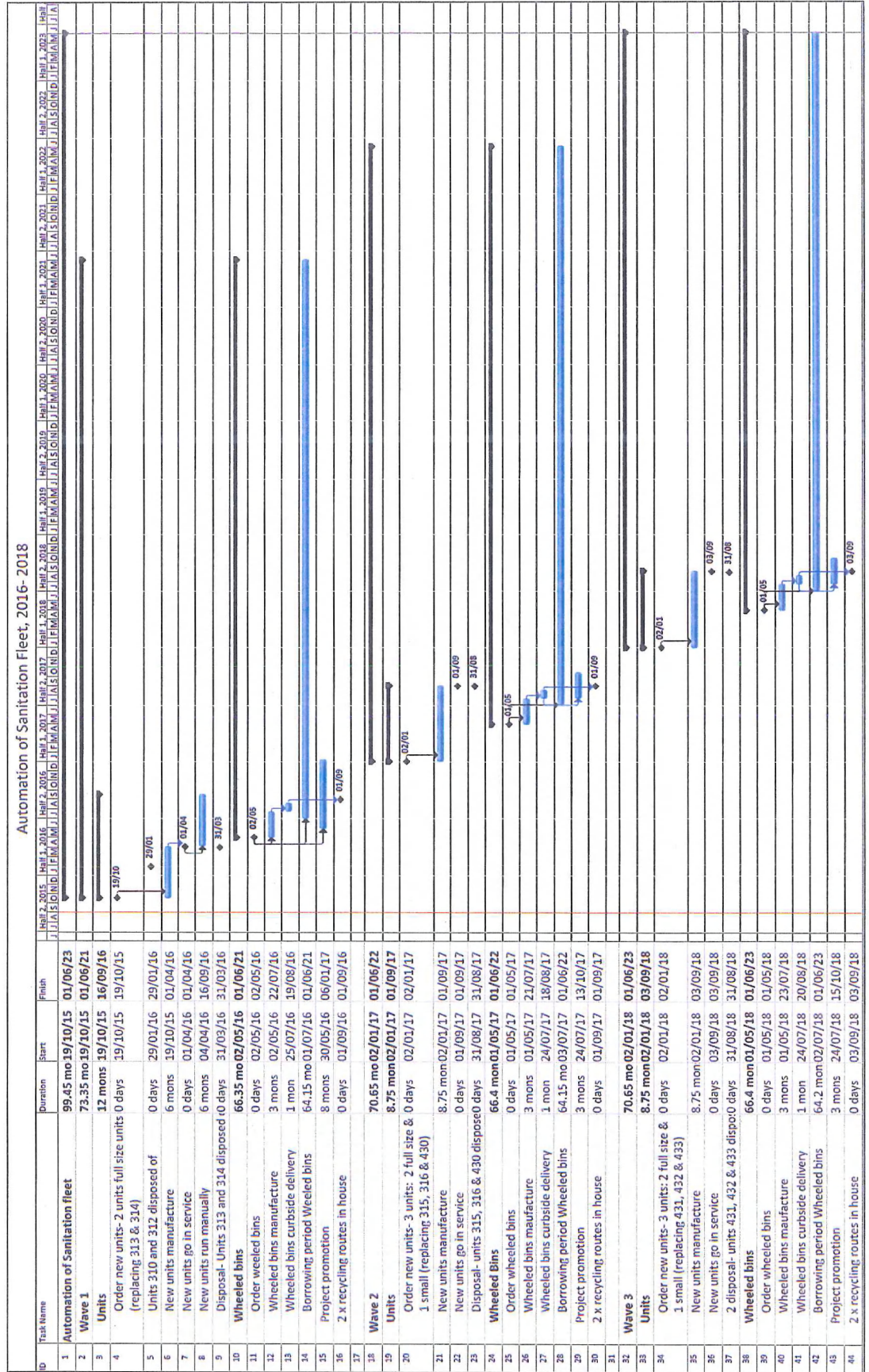
OPTION #1	Purchase CNG Unit	Total	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual Operating Costs:												
Rate per DLE			0.75									
Fuel - CNG		13,743	13,743	13,743	14,018	14,299	14,585	14,876	15,174	15,477	15,787	16,103
Inflation - fuel (est.) 2%		150,487	13,743	14,018	14,299	14,585	14,876	15,174	15,477	15,787	16,103	16,425
Carbon Credits (reduced GHG emissions)			(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)
		(10,658)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)	(1,066)
Total Cost		139,829	12,678	12,953	13,233	13,519	13,811	14,108	14,412	14,721	15,037	15,359

OPTION #2	Purchase Diesel Unit	Total	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual Operating Costs:												
Fuel - Diesel		20,566	20,566	20,977	21,397	21,825	22,261	22,706	23,160	23,624	24,096	24,578
Inflation - Diesel 2%		411	411	420	428	436	445	454	463	472	482	492
		229,693	20,977	21,397	21,825	22,261	22,706	23,160	23,624	24,096	24,578	25,070
Total Cost		229,693	20,977	21,397	21,825	22,261	22,706	23,160	23,624	24,096	24,578	25,070

Lifecycle Savings (Cost) of Operating & Maintenance Costs		89,864										
Less: Capital Investment (63,500)		(63,500)										
= Lifecycle Savings (Cost) of CNG		26,364	11%									
Lifecycle Savings (Cost) of Operating & Maintenance Costs		89,864										
Fortis Grant 44,450 estimated		(44,450)										
Less: Capital Investment (63,500)		(63,500)										
= Lifecycle Savings (Cost) of CNG		70,814	31%									



# Appendix C. Proposed Implementation Timeline 2015-2018



## Appendix D. Financial Implications of Implementation of Automated collection 2015-2018 Automation with CNG Units (incentives Included)

### Information:

Routes automated over 3 years, all routes fully automated by September 2013  
 Financing for purchase of new bins - \$4.4M borrowed through MFA, 5 year repayment term for each borrowing  
 Financing for purchase of four units replaced early - \$1.7M borrowed through MFA, 5 year repayment term for each borrowing  
 Incentives for six CNG units (incentives for two units budgeted in 2015 included in 2016)  
 Recycling picked up part of automated routes, recycling contractor not needed after 2018  
 Wages and benefits budget was increased in 2015 to allow for additional staffing to comply with Worksafe BC order, co-op student will be hired in 2016 for an eight month term for promotional and program assistance  
 6 units to be replaced early

### Fleet Rates

Fleet rates are calculated for each unit to cover annual operating and maintenance costs and contribute to the Equipment Replacement Fund for eventual replacement of unit  
 Internal charges are reduced during borrowing repayment phase, then increased during last 3 years to realize full recovery of annual operating expenses and contribution to reserve

### Overview

Expenditures and Revenues that would be impacted by change to automated trucks are summarized below  
 2015 User Fee is \$99.75

	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Impact on Expenditures</b>									
Wages and Benefits	13,702	(86,170)	(87,893)	(89,651)	(91,444)	(93,273)	(95,138)	(97,041)	(98,982)
Recycling Contract (finished Aug 31/2018)	(78,857)	(324,360)	(595,930)	(776,629)	(801,708)	(827,560)	(854,243)	(881,792)	(910,203)
Bin Distribution Costs	49,643	50,835	52,048	-	-	-	-	-	-
Program Promotion	35,000	35,000	35,000	35,000	35,000	-	-	-	-
Computer Software	14,124	-	-	-	-	-	-	-	-
	33,612	(324,695)	(596,375)	(831,280)	(858,151)	(920,832)	(949,381)	(978,823)	(1,009,185)
<b>CNG Incentives</b>									
	(88,900)	(63,500)	(63,500)	-	-	-	-	-	-
<b>Impact on Fleet Rates</b>									
Fleet Rates (annual operating/maintenance, contribution to reserve for replacement)	86,886	(30,339)	(263,939)	(412,739)	(412,739)	(252,394)	121,743	388,985	282,088
<b>Financing</b>									
Loan Repayment - Bins	175,640	558,957	841,843	969,680	943,365	774,304	463,353	154,153	-
Loan Repayment - Fleet	-	101,215	314,206	394,298	383,737	373,175	274,601	90,653	-
Total Impact on Annual Expenses	207,238	241,638	242,236	119,960	56,212	(25,747)	(83,684)	(345,032)	(727,097)
<b>Impact on Revenues</b>									
Garage Tag Sales (garbage tags not used on automated routes)	13,416	67,749	102,640	138,221	139,604	141,000	142,410	143,834	145,272
Net Impact on Annual Expenses	220,653	309,387	344,875	258,181	195,815	115,253	52,726	(201,198)	(581,825)
Residential Rate per 2015-2019 Budget	101.25	102.75	104.25	105.50	107.08	108.69	110.32	111.97	113.65
Revised Rate with Automation	109.40	114.04	116.69	114.70	113.98	112.70	112.13	105.14	94.12
Change	8.15	11.29	12.44	9.20	6.89	4.01	1.81	(6.83)	(19.53)
									992.89



## Automation with Diesel Units

### Information:

Routes automated over 3 years, all routes fully automated by September 2018  
Financing for purchase of new bins - \$4.4M borrowed through MFA, 5 year repayment term for each borrowing  
Financing for purchase of 4 units replaced early - \$1.5M borrowed through MFA, 5 year repayment term for each borrowing  
Recycling picked up part of automated routes, recycling contractor not needed after 2018  
Wages and benefits budget was increased in 2015 to allow for additional staffing to comply with Worksafe BC order, co-op student will be hired in 2016 for an eight month term for promotional and program assistance  
6 units to be replaced early

### Fleet Rates

Fleet rates are calculated for each unit to cover annual operating and maintenance costs and contribute to the Equipment Replacement Fund for eventual replacement of unit  
Internal charges are reduced during borrowing repayment phase, then increased during last 3 years to realize full recovery of annual operating expenses and contribution to reserve

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Recycling Contract (finished Aug 31/2018)	(78,857)	(324,360)	(585,530)	(776,629)	(801,708)	(827,560)	(854,243)	(881,782)	(910,203)
BIn Distribution Costs	49,643	50,835	52,048	-	-	-	-	-	-
Program Promotion	35,000	35,000	35,000	35,000	35,000	-	-	-	-
Computer Software	14,124	-	-	-	-	-	-	-	-
	33,612	(324,695)	(586,375)	(831,280)	(858,151)	(920,832)	(949,381)	(978,823)	(1,009,185)
<b>Impact on Fleet Rates</b>									
Fleet Rates (annual operating/maintenance, contribution to reserve for replacement)	89,514	(27,711)	(261,311)	(410,111)	(410,111)	(248,190)	75,653	399,495	291,548
<b>Financing</b>									
Loan Repayment - BIns	175,640	558,957	841,843	969,680	943,365	774,304	463,353	154,153	-
Loan Repayment - Fleet	-	85,588	265,694	333,420	324,489	315,558	232,203	76,657	0
Total Impact on Annual Expenses	298,765	292,138	259,851	61,709	(409)	(79,160)	(178,172)	(348,518)	(717,637)
<b>Impact on Revenues</b>									
Garage Tag Sales (garbage tags not used on automated routes)	13,416	67,749	102,640	138,221	159,604	141,000	142,410	143,894	145,272
Net Impact on Annual Expenses	312,181	359,887	362,490	199,930	139,195	61,839	(35,763)	(204,684)	(572,365)
Residential Rate per 2015-2019 Budget	101.25	102.75	104.25	105.50	107.08	108.69	110.32	111.97	113.65
Revised Rate with Automation	112.78	115.88	117.32	117.62	111.98	110.84	109.09	105.02	94.44
Change	11.53	13.13	13.07	7.12	4.90	2.15	(1.23)	(6.95)	(19.21)

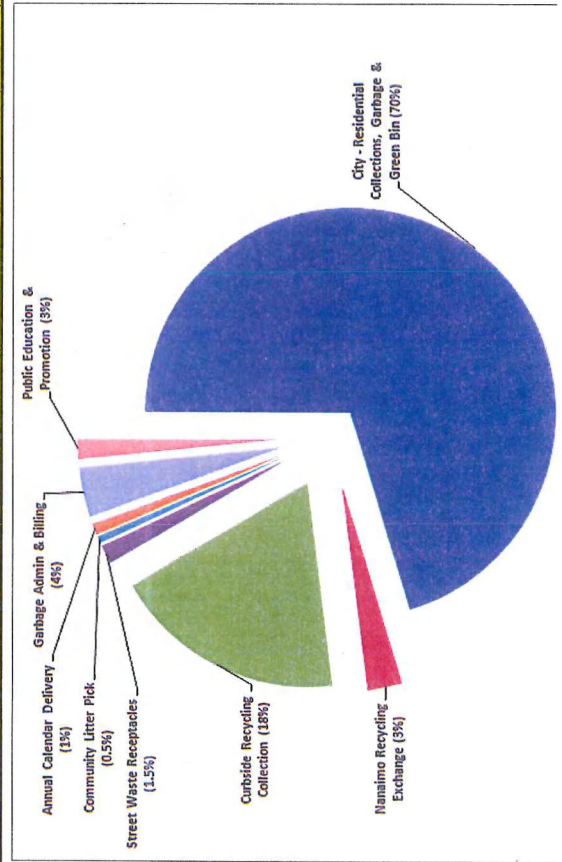


## Appendix E.

### Financial Breakdown of the Current user rate for manual Solid Waste collection

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Notes
<b>EXPENDITURES</b>														
Garbage & Kitchen Waste														
3112 City - Residential Collections	2,310,526	2,419,050	2,635,644	2,688,432	2,742,285	2,797,225	2,853,272	2,910,337	2,968,544	3,027,915	3,088,473	3,150,243	3,213,248	Staff wages, tipping fees (garbage & KW) & Fleet rates
Recycling - Collection & Disposal														
3117 Community Programs	102,365	102,550	102,300	104,346	106,433	108,561	110,732	112,947	115,206	117,510	119,860	122,257	124,702	One stop shop Zero Waste Depot-NRE
3118 Residential Curbside Programs	641,719	656,108	694,535	708,425	722,594	745,947	770,047	785,448	801,157	817,180	833,524	850,194	867,198	Contractor collection of recycling
<b>Other Costs</b>	<b>744,084</b>	<b>758,658</b>	<b>796,835</b>	<b>812,771</b>	<b>829,027</b>	<b>854,408</b>	<b>880,779</b>	<b>896,395</b>	<b>916,363</b>	<b>934,690</b>	<b>953,384</b>	<b>972,451</b>	<b>991,900</b>	
3106 Street Waste Receptacles	50,408	50,460	56,340	57,467	58,616	59,768	60,964	62,204	63,448	64,717	66,011	67,331	68,678	Liter cans in public areas
3107 Cleaner Community Partnership	20,336	20,900	20,900	21,318	21,744	22,179	22,623	23,075	23,537	24,008	24,488	24,978	25,478	Community litter pick program (spring & Fall)
3108 Annual Calendar Delivery	28,213	30,435	32,333	32,980	33,640	34,313	34,999	35,699	36,413	37,141	37,884	38,642	39,415	Delivery of calendars
6308 Garbage Admin	157,988	142,635	145,766	146,702	151,676	154,710	157,804	160,960	164,179	167,463	170,812	174,228	177,713	User rate billing & Admin
3109 Public Education & Promotion	61,305	63,850	60,200	61,404	62,632	63,885	65,163	66,466	67,795	69,151	70,534	71,945	73,384	Program promotion
	<b>318,250</b>	<b>308,280</b>	<b>315,559</b>	<b>321,871</b>	<b>328,308</b>	<b>334,875</b>	<b>341,573</b>	<b>348,404</b>	<b>355,372</b>	<b>362,480</b>	<b>369,729</b>	<b>377,124</b>	<b>384,668</b>	
<b>Total Expenditures</b>	<b>3,372,860</b>	<b>3,485,988</b>	<b>3,748,038</b>	<b>3,823,074</b>	<b>3,899,620</b>	<b>3,986,508</b>	<b>4,075,624</b>	<b>4,157,136</b>	<b>4,240,279</b>	<b>4,325,085</b>	<b>4,411,586</b>	<b>4,499,818</b>	<b>4,589,816</b>	
<b>REVENUES</b>														
User Fees- 3112 144310	3,280,189	2,917,200	2,669,011	2,741,648	2,815,658	2,891,061	2,960,858	3,041,286	3,124,077	3,208,988	3,296,061	3,385,634	3,477,456	Income from user rates
MMBC- 3112 149000	0	465,300	943,184	954,500	965,956	977,553	989,291	1,001,171	1,013,191	1,025,352	1,037,654	1,050,098	1,062,682	Income from MMBC for collection of recycling
Garbage Tags - 3112 144320	95,000	95,000	132,828	134,156	135,498	136,853	138,222	139,604	141,000	142,410	143,834	145,272	146,725	Income from sale of "extra garbage" tags
Recoveries from Bin Sales 3112- 149000	4,500	5,000	6,000	6,060	6,121	6,182	6,244	6,306	6,369	6,433	6,497	6,562	6,628	Sale of green bins
<b>Total Revenues</b>	<b>3,379,689</b>	<b>3,482,500</b>	<b>3,751,023</b>	<b>3,836,364</b>	<b>3,923,233</b>	<b>4,011,649</b>	<b>4,094,615</b>	<b>4,186,367</b>	<b>4,284,637</b>	<b>4,383,183</b>	<b>4,484,046</b>	<b>4,587,566</b>	<b>4,693,491</b>	
<b>Surplus (Deficit)</b>	<b>6,829</b>	<b>(3,488)</b>	<b>2,985</b>	<b>13,290</b>	<b>23,613</b>	<b>25,141</b>	<b>18,991</b>	<b>31,231</b>	<b>44,358</b>	<b>58,098</b>	<b>72,460</b>	<b>87,748</b>	<b>103,675</b>	
<b>Users</b>	<b>25,740</b>	<b>26,400</b>	<b>26,757</b>	<b>27,078</b>	<b>27,403</b>	<b>27,732</b>	<b>28,065</b>	<b>28,402</b>	<b>28,743</b>	<b>29,088</b>	<b>29,437</b>	<b>29,790</b>	<b>30,147</b>	1.2% annual growth
<b>Residential Rate</b>	<b>\$ 125.74</b>	<b>\$ 110.50</b>	<b>\$ 99.75</b>	<b>\$ 101.25</b>	<b>\$ 102.75</b>	<b>\$ 104.25</b>	<b>\$ 105.50</b>	<b>\$ 107.08</b>	<b>\$ 108.69</b>	<b>\$ 110.32</b>	<b>\$ 111.97</b>	<b>\$ 113.65</b>	<b>\$ 115.35</b>	

### 2015 Breakdown



# City of Nanaimo REPORT TO COUNCIL

DATE OF MEETING: 2015-SEP-28

AUTHORED BY: CRAIG RICHARDSON, FIRE CHIEF

RE: COMMUNITY WILDFIRE PROTECTION PLAN GRANT RESOLUTION

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## STAFF RECOMMENDATION:

That Council support the City of Nanaimo application to the Union of British Columbia Municipalities for a Community Wildfire Protection Plan Grant.

## PURPOSE:

To obtain Council's support for the City's application for a Community Wildfire Protection Plan Grant.

## BACKGROUND:

The City has risk for wildland fires in a number of areas particularly within the interface with urban development. The existing Community Wildfire Protection Plan (CWPP) (2013) is in need of updating to reflect current conditions. This initiative is being promoted by the Province to reduce the risk of wildfire and grants are available through Union of British Columbia Municipalities (UBCM).

## DISCUSSION:

The 2014 Hazard Risk and Vulnerability Analysis (HRVA) determined that the risk for wildland fires in the City is "Medium". While the forested areas in the City are decreasing as a result of development, areas of risk remain both within the City boundary and immediately outside the boundary with potential to affect City lands. In addition, there are a number of parks and Crown lands that interface with urban development contributing to interface fire potential.

Given the recent drought conditions and the number and severity of fires experienced in the 2015 fire season, the CWPP is in need of updating. While the current CWPP was a valuable tool, it is limited in scope and needs to further address specific strategies to offset the risk to the community. By updating and enhancing the existing a comprehensive plan, the City of Nanaimo will have critical information and defined strategies that will allow us to work towards improved and effective management of the wildland interface risk.

The City of Nanaimo is applying to the UBCM for funding to assist in the development of a Community Wildfire Protection Plan to improve the City's approach to community safety and reducing the risk of wildfire within Nanaimo and neighbouring lands. The City of Nanaimo is requesting a contribution from UBCM for the maximum eligible cost of \$15,000, fifty percent of total project costs. The draft 2016-2020 Financial Plan has budgeted for \$15,000 to match the UBCM grant in accordance with the grant requirements.

The application must be submitted before the October 2, 2015 deadline. In processing the application, UBCM requires Council resolution indicating support for the proposed activities and a willingness to provide a matching grant from the City.

☐ Council  
☒ Committee of the Whole  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2015-SEP-28

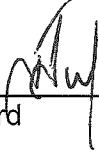
Respectfully submitted,



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Craig Richardson  
Fire Chief

Concurrence by:



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Toby Seward  
Director  
Social & Protective Services

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-Sep-09  
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## City of Nanaimo REPORT TO COUNCIL

DATE OF MEETING: 2015-SEP-28

AUTHORED BY: CRAIG RICHARDSON, FIRE CHIEF

RE: IMPACT OF STAFFING LEVELS ON RECENT FIRES IN NANAIMO

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### STAFF RECOMMENDATION:

That Council receive this report for information.

### PURPOSE:

To provide information in response to Council's 2015-Aug-17 motion:

*"That Council direct staff to prepare a report regarding recent fires in Nanaimo, specifically addressing how a new Fire Station and two member engines would have effected response times and property damage; and how a new Fire Station and four member engines would have effected response time and property damage."*

### BACKGROUND

The draft 2016 – 2020 Financial Plan includes the construction of a new fire station in the Hammond Bay area in 2016 and the hiring of twenty additional firefighters (ten in 2017 and ten more in 2018) for full time staffing with a four-member engine. This is the final element of the 2005 fire plan that was initially scheduled for completion in 2015 but has been delayed on several occasions. During the past twelve months, staff have been conducting a risk analysis by geographic areas of the City jointly with the Firefighter's Union. Staff are implementing prevention programs based upon the risk analysis and have begun to review response models and potential options to address staffing levels over the next 10 – 15 years.

The Firefighter's Union advocates strongly for a traditional four-member engine model to be used in all existing and any proposed new fire stations. Conversely in 2012, the previous Fire Chief provided a report that proposed an alternative response model whereby multiple fire stations staffed with two-member engines that would converge on incidents providing a build up of resources to achieve critical tasks.

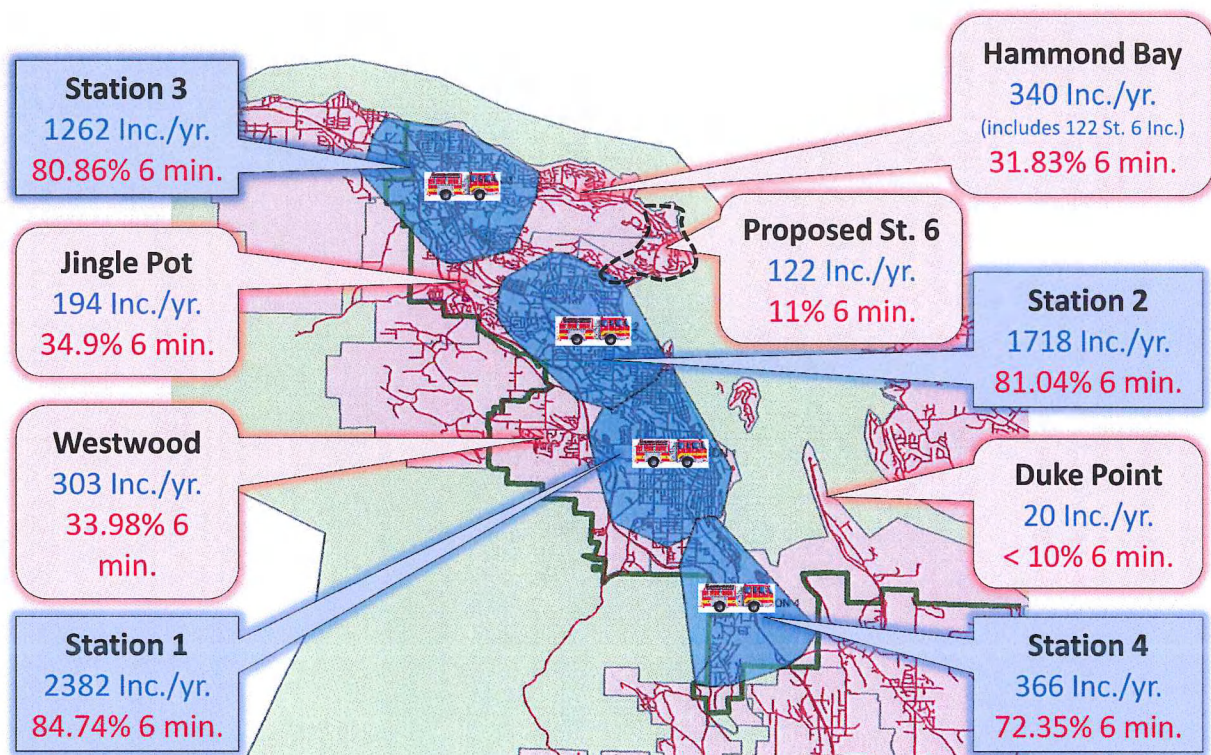
In comparing four-member and two-member engine responses, this report provides Council with information for consideration on how new levels of service could be provided to areas of the city where development is occurring and response performance targets are difficult to achieve. While incident volume is low and response times are longer in developing areas, Council may want to consider whether to staff those areas with a traditional model or whether alternative models are desired.

During the Fire Rescue budget presentation in August, Council had a number of questions around incident history in the Hammond Bay area and requested additional information to better

☐ Council  
☒ Committee... of the Whole  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2015-SEP-28

assess the need for additional resourcing in the area. In order to compare response models, it is important to understand the risk, workload, and present staffing levels throughout the City. The diagram below provides a summary of the number of incidents occurring within each area of the City and the current response performance for the first unit arrival (target is within 6 min. 90% of the time).

In the diagram below, the blue areas indicate where the full time engines can respond within the 6 minute response performance target. The pink areas indicate where engines cannot respond within the 6 minute response target. Presently, Stations 1, 2, 3 and 4 (blue) are each staffed full time with a four-member engine. Service for the Hammond Bay, Jingle Pot, Westwood and Duke Point areas (pink) is from these four existing stations.



Incidents and response performance 2011 - 2013

The diagram above shows that the proposed new fire station in Hammond Bay (Station 6) will provide 6 minute response performance for approximately 1/3 of the annual Hammond Bay incidents. Although overall response times would be reduced for the remaining 2/3 of these incidents, they would be covered from Stations 3 and 6 with response times greater than 6 minutes.



## DISCUSSION:

It is difficult to predict with 100% accuracy how the new Hammond Bay Fire Station and engine staffing levels would have impacted response times and property damage in recent fires so this report will describe some of the actions and outcomes that can generally be expected with each scenario. There is no question that the best outcomes will be achieved with the fastest response times and the most firefighters in attendance. However, the discussion must also take into consideration the risk in the area and the cost for service.

Specifically, this report will analyze the construction of a new fire station (the proposed Station 6) in the Hammond Bay area with two different staffing scenarios – a two-member engine, and a four-member engine. A third scenario is also referenced whereby a two-member medical unit (an apparatus with no firefighting equipment) could be placed in the new Station 6. While not specifically mentioned in Council's motion, the medical unit concept has been raised previously given that the Firefighter's Union has stated they would not support any less than four members on an apparatus equipped for fighting fires.

The term 'recent fires' is interpreted to mean the Jesters Way and Cosgrove Crescent fires occurring in the Hammond Bay and Departure Bay area this August. Given that recent risk assessment provides good data on incidents occurring between 2011 and 2013, fire incidents in that timeframe are also discussed. In addition, significant fires in the Hammond Bay area in the last five years are included to better understand the level of risk in the area.

The staffing cost for a four-member engine is approximately \$2.5m per year which includes 20 Firefighters in order to maintain four members on each of four shifts allowing 4 additional members to be absent for vacation and sick leaves. The cost for a two-member engine is half of that at approximately \$1.25m per year for 10 Firefighters.

### **Recent fire analysis**

In August, a grass fire that started in the front yard of a home on Jesters Way destroyed one home. The fire quickly spread to the exterior of three neighbouring homes as a result of severe drought conditions and steep terrain. The response times and staffing levels are the basis for the analysis in this report to which various staffing models are compared. This fire was further complicated by a call for a second structure fire on Cosgrove Crescent which required resources from the Jesters Way fire to be redeployed. Fortunately the Cosgrove fire was minor in nature and those resources quickly returned to the Jesters Way incident. However, the redeployment of those resources adversely impacted the fire attack at Jesters Way.

The Jesters Way incident is significant because all on duty engines and staff were required to fight the fire. As well, paid on call members attended and off-duty full time members were called in on overtime. While it is rare for all on duty engines to be committed to a single incident, it is becoming more common that multiple incidents occur at the same time which causes the department to enter a reduced level of service mode.

Actual response performance for Jesters Way Structure Fire

Apparatus	Firefighters	Response Time
Engine 2	4	6:50
Engine 3	4	10:37
Engine 1	4	11:18
Engine 4	4	Deployed by special request
	Total 12	

New Fire Station Staffed with a Four-Member Engine (traditional model)

This scenario assumes that the new fire station was in place and staffed with a four-member engine at the time of the Jesters Way fire. Modeling indicates that the response time from the location of the proposed new fire station at Hammond Bay Road and Nottingham Drive would have been approximately 5 minutes. The initial assignment for this incident under this scenario would have likely been:

Apparatus	Firefighters	Response Time	Potential Actions
Engine 6	4	5:00*	<ul style="list-style-type: none"> <li>4 firefighters would have arrived on scene almost 2 min. earlier when the fire would be less developed (smaller) and the crew could initiate exterior or interior fire attack to stop fire growth</li> <li>Actions: Establish Command, size-up, establish Incident Action Plan, exterior fire attack, interior fire attack and rescue</li> <li>The staffing cost of a 4 member engine is approximately \$2.5m per year</li> </ul>
Engine 2	4	6:50	<ul style="list-style-type: none"> <li>8 firefighters and 2 engines would be on scene at this time instead of 4 firefighters and 1 engine as in the actual response</li> </ul>
Engine 3	4	10:37	<ul style="list-style-type: none"> <li>The full assignment would have arrived almost 1 minute earlier than in the actual response.</li> </ul>
	Total 12		

\*Estimated response time for the current proposed location of Station 6 at Hammond Bay Road and Nottingham Drive

While this scenario has the highest costs, it provides early arrival of the largest crew size which would very likely lead to less property damage and provide early rescue capability should rescue have been required. For responses to the other incident types such as medical incidents, this scenario would allow four firefighters to apply first aid and potentially life-saving interventions two minutes earlier.

New Fire Station Staffed with a Two-Member Engine (alternative model)

This scenario assumes that the new fire station was in place and staffed with a two-member engine at the time of the Jesters Way fire.

Apparatus	Firefighters	Response Time	Potential Actions
Engine 6	2	5:00*	<ul style="list-style-type: none"> <li>2 firefighters would have arrived on scene almost 2 min. earlier when the fire would be less developed (smaller) and the crew could initiate exterior fire attack to stop fire growth</li> <li>Actions: Establish Command, conduct size-up, establish Incident Action Plan, establish water supply, exterior fire attack, secure the scene for the arrival of next units, provide medical care to any injured civilians.</li> <li>Limitations: Cannot perform interior fire attack or perform interior rescue</li> <li>The staffing cost of a 2 member engine is approximately \$1.25m per year</li> </ul>
Engine 2	4	6:50	<ul style="list-style-type: none"> <li>Actions: Upon arrival of the second engine, fire crews could make entry into a building for rescue or interior firefighting</li> <li>6 firefighters and 2 engines would be on scene at this time instead of 4 firefighters and 1 engine as in the actual response</li> </ul>
Engine 3	4	10:37	<ul style="list-style-type: none"> <li>10 firefighters would be on scene</li> </ul>
Engine 1	4	11:18	<ul style="list-style-type: none"> <li>The full assignment, including 2 additional firefighters, would have arrived at the same time as in the actual response</li> </ul>
	Total 14		

\*Estimated response time for the current proposed location of Station 6 at Hammond Bay Road and Nottingham Drive

This scenario has a moderate costs, provides early arrival with a crew capable of exterior fire attack which would very likely lead to less property damage. Interior fire control or rescue is restricted until the arrival of the second unit. For responses to the other incident types such as medical incidents, this scenario would allow two firefighters to apply first aid and potentially life-saving interventions two minutes earlier.



**New Fire Station Staffed with a Two-Member Medical Unit (alternative model)**

The possibility of staffing the fire station with a two member medical unit (no firefighting capabilities) is discussed here. As mentioned above, the Firefighter's Union has stated they would not support any response units staffed with less than four members if they were capable of fighting fire. This staffing scenario is discussed here for Council's information and assumes that the new fire station was in place and staffed with a two-member medical-only unit at the time of the Jesters Way and Cosgrove fires.

Apparatus	Firefighters	Response Time	Potential Actions
Medic 6	2	5:00	<ul style="list-style-type: none"> <li>• Actions: Establish Command, size-up, establish Incident Action Plan, direct evacuations, secure the scene for the arrival of next units, provide medical care to any injured civilians.</li> <li>• Limitations: Cannot perform any firefighting activities</li> </ul>
Engine 2	4	6:50	<ul style="list-style-type: none"> <li>• Actions: Upon arrival of the second engine, fire crews could make entry into a building for rescue or interior firefighting.</li> <li>• Limitations: only one engine with firefighting equipment would be on scene</li> <li>• 6 firefighters and 2 engines would be on scene at this time instead of 4 firefighters and 1 engine as in the actual response</li> <li>• The staffing cost of a 2 member medical unit is approximately \$1.25m per year</li> </ul>
Engine 3	4	10:37	<ul style="list-style-type: none"> <li>• 10 firefighters would be on scene</li> </ul>
Engine 1	4	11:18	<ul style="list-style-type: none"> <li>• The full assignment would have arrived at the same time as in the actual response with 2 additional firefighters on scene.</li> </ul>
	Total 14		

This scenario has the same cost as a two-member engine but without the benefit of firefighting attack capability. Property damage would likely have been the similar to that which occurred in the actual incident. Interior fire control or rescue is restricted until the arrival of the second unit. For responses to the other incident types such as medical incidents, this scenario would allow two firefighters to apply first aid and potentially life-saving interventions two minutes earlier.

**Data Analysis and Risk Assessment**

From 2011 to 2013, there were 327 structure fires in the City of which 23 occurred in the Hammond Bay area. Four of those structure fires would have occurred within the 6 minute response time of the proposed Station 6. Below is a summary of the consequence of the 23 Hammond Bay area fires. For the purpose of this report, a small fire is one that does not extend beyond the object of origin (i.e. an electrical appliance or a chimney fire) and a large fire is one in which at least one room and contents is involved. Since 1994, there have been 13 fire deaths in the City of Nanaimo. The vast majority have occurred in the downtown area. One fire death occurred in north Nanaimo in 2005, and was within the current 6 minute response capability of Station 3.

Three-year Hammond Bay Structure Fires, 2011 - 2013

	<b>Total Structure Fires</b>	<b>Fire Out upon Arrival</b>	<b>Small Fire</b>	<b>Large Fire</b>	<b>Persons Rescued</b>	<b>Other Buildings Exposed</b>
<b>Hammond Bay</b>	19 (6.3/yr.)	8	7	2	1	1
<b>Station 6</b>	4 (1.3/yr.)	2	1	1	0	0
<b>TOTAL</b>	23 (7.6/yr.)	10	8	3	1	1

A more comprehensive list of incident and response statistics can be found in Appendix 'A'.

**Industry standards and research**

National Fire Protection Association (NFPA) standards are developed by industry experts identifying best practices. They are consensus standards and as such there is no requirement for compliance. NFPA standards indicate four members should staff a full time fire engine but they do not indicate any criteria for when a jurisdiction should invest in a full time engine – this is widely acknowledged as a local decision taking into account risk, incident volume and cost.

The US National Institute of Safety and Technology (NIST) conducted a study in 2010 that examined various engine crew sizes. That study concludes that four-member engines are the most effective. It is also silent on a threshold for when full time staffing is appropriate with respect to incident volume, risk, and cost.

NIST is also leading the way with new fire dynamics research on the consequence of modern construction techniques and synthetic furnishings on fire behaviour. The new research places emphasis on early arrival and rapid fire attack from the exterior to stop fire growth. The research identifies early fire control as the best method for protecting potential occupants.

WorkSafe BC Occupational Health and Safety Regulation Part 31.23 "Entry Into Buildings" (see Appendix 'B') requires 4 firefighters to be assembled prior to making entry into a structure. While entry into structure fire incidents is restricted, it does not preclude exterior and defensive actions to be taken by fire crews of less than 4 members immediately upon arrival; nor does it restrict critical lifesaving intervention in any of the remaining incident types to which the department responds.

Staffing with four-member engines is the most common practice in fully developed areas in Cities across BC, but it is not uncommon for less than four members to staff engines in low risk, or developing areas. For example, Kamloops staffs its Westsyde fire hall with 2 members, West Kelowna has historically staffed one satellite station with a minimum of 2 members, and Penticton endeavors to staff its two fire stations with 3 members 90% of the time but struggles to meet that benchmark. Each community makes staffing decisions based upon their local risk, incident volume, and budget.

### **Other significant fires in the Hammond Bay area in the last five years**

In addition to the Jesters Way structure fire, the following are the significant structure fires that occurred in the Hammond Bay area in the last five years.

**2013 - Rock Ridge Drive:** In June of 2013, a structure fire occurred in the 300 block of Rock Ridge Drive. This fire is mentioned because it occurred within the 6 minute response capability of the proposed Station 6 and the fact the crews were unable to determine whether any occupants were inside the building which required an interior search to take place. The home received extensive interior smoke and fire damage including a floor collapse. The first engine arrived with four members from Station 3 in 8 minutes 49 seconds.

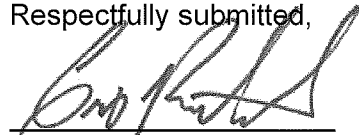
**2011 - Hammond Bay Road:** In September of 2011 a structure fire occurred in the 4600 block of Hammond Bay Road. This fire is significant because its location is outside of a 6 minute response capability, the first arriving engine was required to make entry to rescue an occupant, and the fire spread to a neighbouring home. The first engine arrived from Station 3 with four members in 10 minutes 23 seconds. It was estimated in 2011 incident review that the response time from the proposed location for Station 6 would have been approximately 6 minutes. The house was completely destroyed by the fire and the home next door received extensive exterior fire damage.

Expected outcomes from an earlier arrival with either a two-member or four-member engine at both of these incidents are consistent with the analysis of the Jesters Way incident. The fires would have been smaller upon arrival and therefore, a safer environment for any potential occupants. Property damage would have also been reduced.

### **CONCLUSION**

Ultimately, this report frames a key decision point for Council on long range staffing with respect to how new resources will be added in the four identified developing areas of the City. The potential courses of action include: adding no new staffing and continue to respond from existing stations; resourcing those areas with a traditional four-member engine model; or exploring an array of alternative solutions such as engines staffed with less than four members in an incremental approach towards full staffing when sufficient incident volume exists.

Respectfully submitted,



Craig Richardson  
Fire Chief

Concurrence by:

  
\_\_\_\_\_  
Toby Seward  
Acting General Manager  
Community Development & Protective Services

CITY MANAGER COMMENT:

I concur with the staff recommendation.

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Drafted: 2015-Apr-27

# **APPENDIX 'A'** **2011 -2013 Incident Workload**

	City	Hammond* Bay	Station 6
Avg. Incidents per year (all incident types)	6,854	340*	122
Avg. Structure fires per year	109	7.67*	1.33
• Total dollar loss of structure fires 2011-2013	\$7,121,696	\$1,643,150*	\$235,500
• Avg. dollar loss per structure fire 2011-2013	\$21,779	\$71,441	\$58,875
• Potential dollars saved per structure fire 2011-2013****	\$679,236,774	\$6,779,850	\$1,130,500
• Fire Deaths 2011 - 2013	1	0	0
• Civilian Injuries 2011 - 2013	24	3	0
• Highest cause of structure fires 2011-2013	Smoking	Cooking	Heating
• Structure fires confined to object of origin	50.5%	30.8%	25%
• Structure fires confined to room of origin	82.9%	46.2%	75%
• Structure fires confined to building of origin	98.2%	73.9%	100%
Fire Other incidents 2011-2013	682	51	23
Medical (EMS) incidents 2011-2013	13,217	687	246
Motor Vehicle Incident (MVI) incidents 2011-2013	1,863	55	19
Rescue incidents 2011-2013	53	3	1
Hazardous Materials incidents 2011-2013	161	19	7
Assistance incidents 2011-2013	854	52	14
Alarms incidents (includes false) 2011-2013	1,200	15	5
Burning Complaint incidents 2011-2013	684	56	23
Mutual Aid incidents 2011-2013	11	1	1
Security System Alarm incidents (includes false) 2011-2013	416	42	15
Response Performance 2011-2013:	13,217	687	246
• First unit arrival within 6 minutes – all types**	75.80%	31.83%	11.03%
• Full assignment arrival within 10 minutes – all types***	96.47%	90.43%	87.20%
• Full assignment arrival within 10 minutes (structure fires)***	73.60%	75.00%	25%

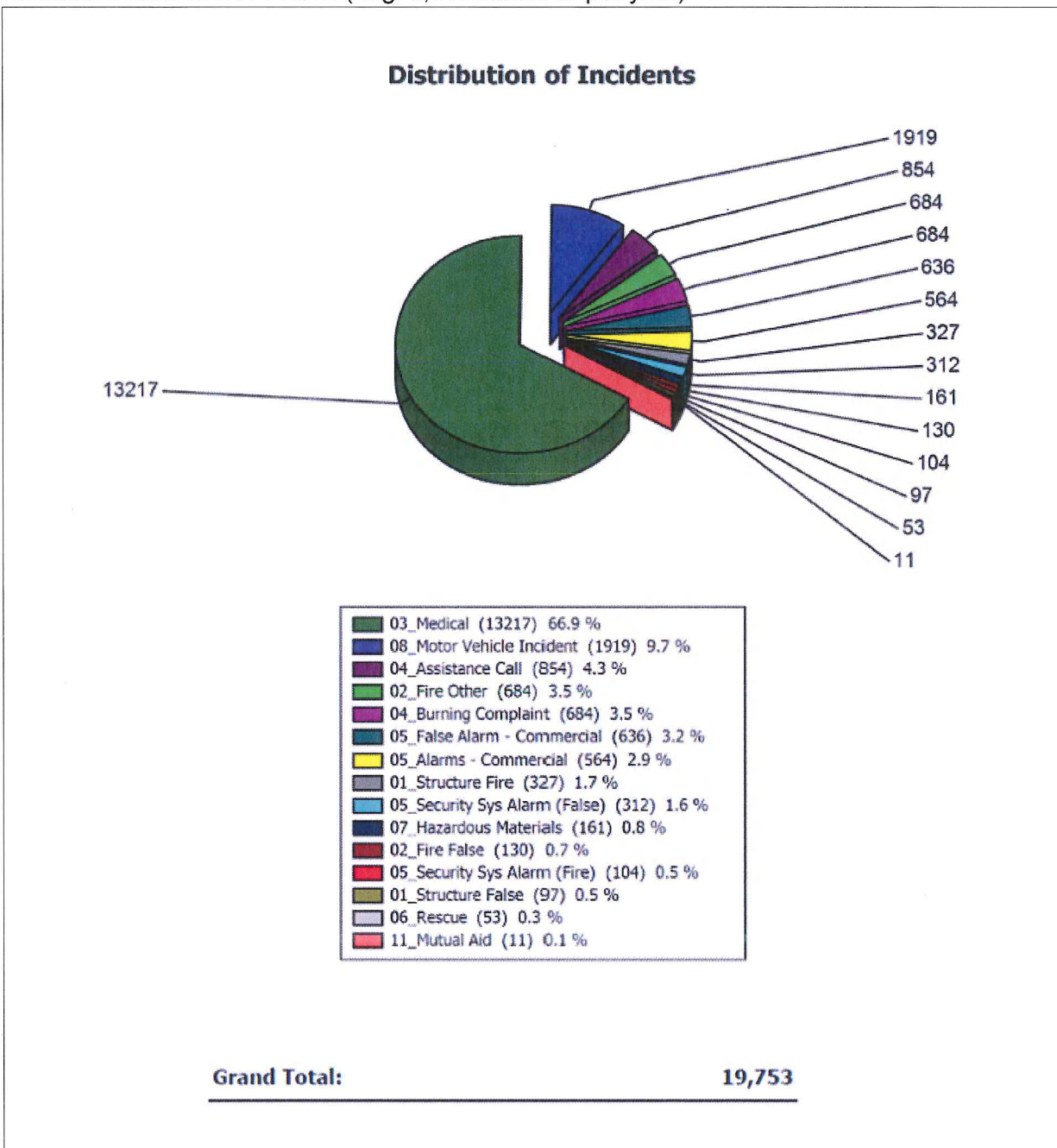
\*Station 6 statistics are included in the Hammond Bay statistics (i.e. Hammond Bay had 340 incidents per year with 122 of those incidents occurring in the proposed Station 6 response area)

\*\* Target is first unit arrival within 6 minutes 90% of the time

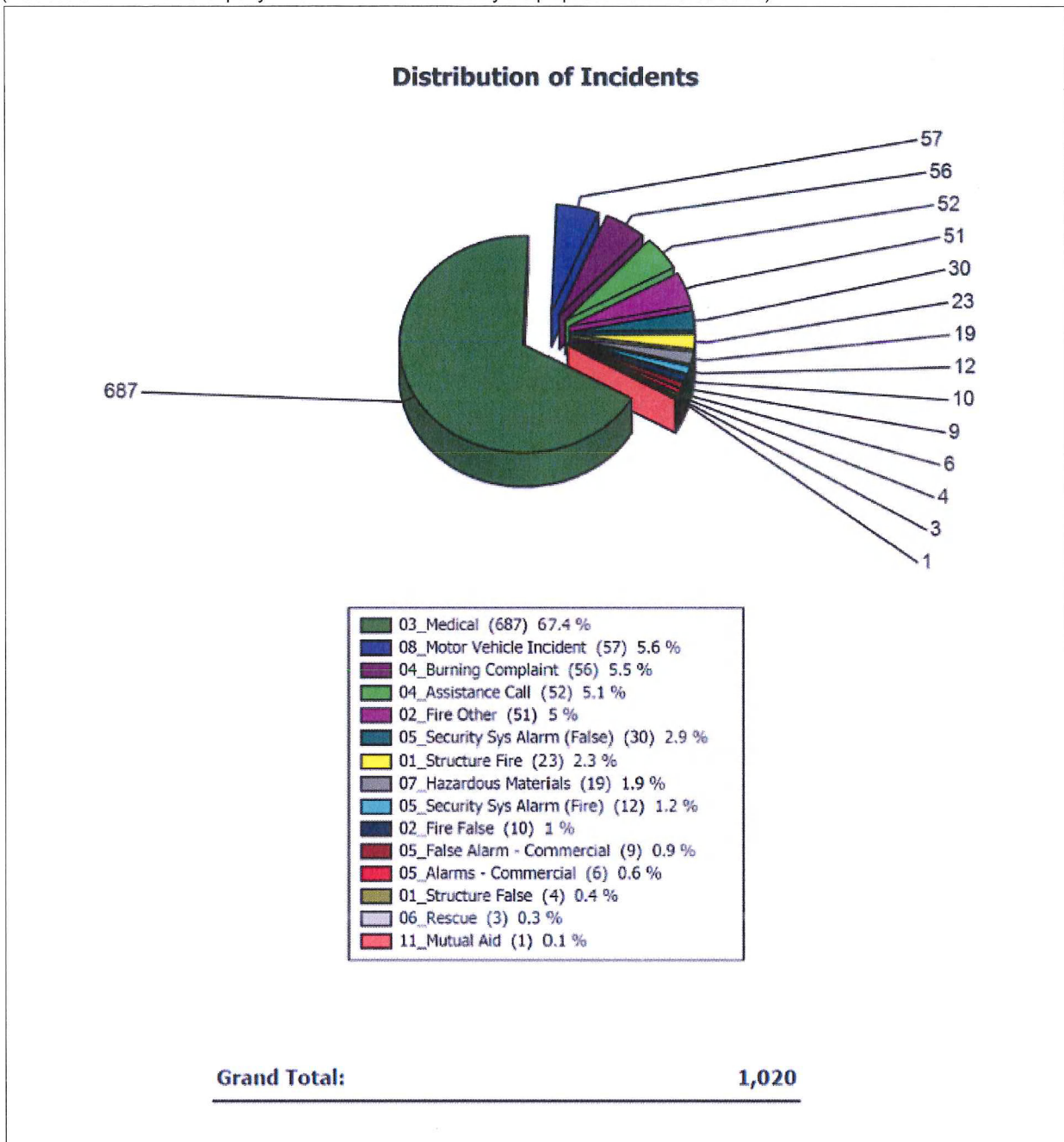
\*\*\*Target is full assignment arrival within 10 minutes 90% of the time

\*\*\*\*Amount includes high value properties such as Woodgrove, Harmac, etc.

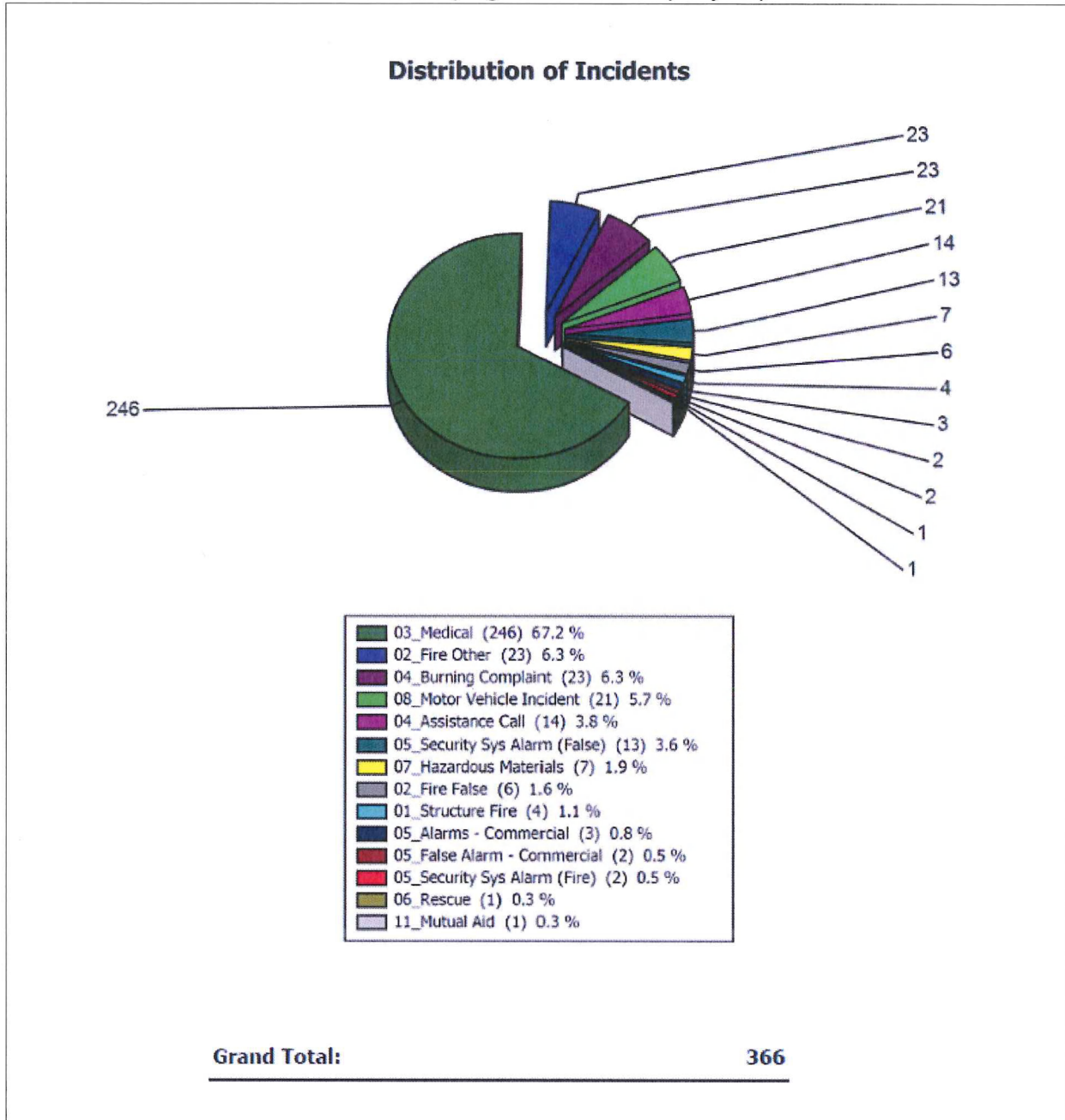
Nanaimo Incidents 2011-2013 (Avg. 6,585 incidents per year)



**Hammond Bay Incidents 2011-2013 (Avg. 340 incidents per year)**  
 (Includes the 122 Incidents per year that would be covered by the proposed new Fire Station 6)



Potential Station 6 Incidents 2011-2013 (Avg. 122 incidents per year)





## APPENDIX 'B'

### WorkSafe BC Part 31.23 Entry Into Buildings

#### **G31.23 Entry into Buildings**

Issued April 27, 2000

Section 31.23 of the *OHS Regulation* states:

- (1) When self-contained breathing apparatus must be used to enter a building, or similar enclosed location, the entry must be made by a team of at least 2 firefighters.
- (2) Effective voice communication must be maintained between firefighters inside and outside the enclosed location.
- (3) During the initial attack of an incident at least one firefighter must remain outside.
- (4) A suitably equipped rescue team of at least 2 firefighters must be established on the scene before sending in a second entry team and not more than 10 minutes after the initial attack.
- (5) The rescue team required by subsection (4) must not engage in any duties that limit their ability to make a prompt response to rescue an endangered firefighter while interior structural firefighting is being conducted.

This guideline discusses the application of section [31.23](#), with consideration of the requirements of section [8.35](#) of the *Regulation*, which must also be met during firefighting operations.

Section 31.19 states "Firefighters who may be exposed to an oxygen deficient atmosphere or to harmful concentrations of air contaminants must wear a self-contained breathing apparatus of a positive pressure type having a rated minimum duration of 30 minutes". A firefighter entering a part of a building or similar enclosed location that is burning or smoke-filled is considered to be exposed to such an atmosphere. The atmosphere is potentially immediately dangerous to life or health (IDLH) or oxygen deficient. Section [31.23\(1\)](#) requires such an entry by firefighters to be made by a team of at least 2 firefighters. Section [8.35](#) requires that whenever a worker enters or works in an IDLH or oxygen deficient atmosphere, the worker must be attended by at least one other worker stationed at or near the entrance who is similarly equipped and capable of effecting rescue.

Section [31.23\(4\)](#) allows firefighters at the scene to start their initial attack of a fire or a rescue operation involving entry if additional firefighters are expected to be on scene and able to provide a suitably equipped rescue team within 10 minutes of the start of the initial attack. To establish there are additional firefighters likely to be on the scene within 10 minutes means there needs to be effective communication between the crew at the scene, the incident commander and other firefighters being dispatched to the incident. This may be achieved either by direct communication between the firefighters or by coordination through a central dispatch. However, during this 10 minute "window", a third firefighter must be dressed, equipped and available to be the rescue worker required by section [8.35](#). Generally standard operating procedures for firefighter entry into a burning building or similar enclosed area stipulate the entry team take with them a hose which is charged and capable of spraying water should the need arise. This means a firefighter or other qualified worker must remain at the fire engine pump controls and act to ensure the water supply is available to the firefighters making the entry. This pump operator cannot be the rescue worker required by section [8.35](#) as the pump operator cannot leave the pump to perform rescue duties. Hence the minimum number of crew required on scene prior to commencing entry into a hazardous area for the initial attack of a fire or to search for occupants would be four if a charged hose is to be taken in by the entry team. Note

other equipment operators, such as the operator of an aerial platform, who are required to remain at an equipment operating position, would be in the same position as the pump operator and cannot be designated to perform rescue duties.

There may be incidents requiring firefighters to use SCBA to enter a building or similar enclosed location even though there is no fire and no smoke. For example, a refrigeration plant leaking ammonia may require an emergency response by firefighters to rescue a person or to shut off or control the leak. (Note section [31.5\(2\)](#) requires the fire department have written procedures for such situations if they will do such responses.) In such circumstances the entry team would not likely need to take a charged hose in, so minimum crew size would be 3, for the first 10 minutes. All 3 firefighters would need to have donned the required protective clothing and breathing apparatus. Two would be the entry team, and the third firefighter would be the rescue worker required by section [8.35](#). The crew would have to establish prior to their initial entry that, within 10 minutes of the initial entry, a fourth firefighter with the required protective clothing and breathing apparatus is expected to be on scene and ready to join the rescue firefighter to establish the rescue team required by section [31.23\(4\)](#).

If, during the first 10 minutes of the initial attack, circumstances change so there will be a delay beyond the 10 minute "window" in arrival of the additional crew needed to establish the 2 firefighter rescue team, the initial attack must be terminated until the rescue team can be established.



# City of Nanaimo

## REPORT TO COUNCIL

DATE OF MEETING: 2015-SEP-28

AUTHORED BY: ROD DAVIDSON, PARKING MANAGER

RE: IN-HOUSE PARKING SERVICES

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### STAFF RECOMMENDATION:

That Council continue with Parking Services and administration as an in-house function and confirm the Letter of Understanding with CUPE is to expire at the end of 2015.

### PURPOSE:

Staff are seeking Council's direction prior to 2015-Dec-31 to determine whether parking administration be continued in-house or by an external contractor. The Letter of Understanding with CUPE to operate in-house parking services expires on 2015-DEC-31.

### BACKGROUND:

The decision to bring Parking Services in-house was made 2012-MAY-14. Prior to this, parking enforcement, administration and security were contracted out to separate companies.

### In-House Service Objective

The objective of bringing services in-house was to combine the delivery of services and add an ambassadorial role to parking staff duties. The benefits of this structure are:

1. Integration of parking enforcement, bylaw enforcement and security resources.
2. Utilization of the Community Policing & Services Office (CPSO), an objective of the SAFER Committee.
3. In-house management and administration delivering parking services in a coordinated manner.
4. Utilize staff to jointly provide parking, bylaw, and ambassador roles throughout downtown.

The move to an in-house model has enhanced the delivery of downtown bylaw services. The establishment of a direct link between the RCMP and the downtown bylaw officers allows for more effective response to joint issues. The Community Policing and Services Office (CPSO) is used by both bylaw enforcement and the RCMP. This integrated response downtown has

Council  
Committee of the Whole  
Open Meeting  
In-Camera Meeting  
Meeting Date: 2015-SEP-28

improved community safety and security in the area. Should the external model be considered, this link will no longer exist as an external model will only provide basic security coverage.

### Parking Reserve Fund

The Parking Reserve fund consists of all net profits from parking operations. The reserve is set aside to fund debt, future operations and parking projects. The City currently has an outstanding loan for the Harbour Front Parkade, 51 Gordon Street, which matures in 2021 with an annual principal and interest payment of \$185,758.

Parking Projects in the current 2015-2019 Financial Plan are funded by a combination of the Parking Reserve, the City Asset Management Reserve and the Sustainability Reserve. A combination of funding was required as the projected Parking Reserve balance was insufficient for all renewal projects to extend the life of existing parking infrastructure. Planned projects are primarily for infrastructure renewal, specifically parkades, metering and technology upgrading.

### Current Business Model

In-house parking services commenced 2013-MAR-01. This transition included the hiring of a Parking Manager/Assistant Manager Bylaw Services; three bylaw enforcement officers/patrollers; one Parking Clerk; and the transfer of one bylaw officer from the existing Bylaw Services Department. The total staffing of Parking Services is six full time employees.

The parking manager in the in-house model provides proactive response to parking issues and improves coordination of all services related to parking, security, parking administration and infrastructure management that is not possible with separate external contractors. The management of all contracts related to parking, facility maintenance and repairs, and security has resulted in longer term strategic planning. The improvement to parking asset management will maximize the service life of existing parking facilities. The use and implementation of parking best practices and technology has led to the implementation of the License Plate Recognition system (LPR) which has greatly increased the enforcement areas without the need to increase manpower. Finally, the improvement of inter-departmental and external stakeholder communications leads to more efficient delivery of services to the public, community stakeholders downtown and neighbourhood organizations.

### Significant Operating Changes

There were significant changes in procedures when Parking Services was brought in-house.

The direct control of services resulted in quicker and more proactive approach to parking and security issues. In-house security patrols seven days a week provide a visible uniformed presence with the authority to enforce all City bylaws. This is significantly different to the limited services that were provided by the external contractor. Prior to the in-house model, security was limited to observing and contacting authorities for further assistance. The current model provides immediate attendance and resolution due to the bylaw designation of the patrollers. The cross-department coordination or link between the social and protective services provides a better response to issues, resulting in minimized disorder downtown. Coordination of RCMP, Municipal Bylaw Enforcement, City Bylaw Services, Fire Services and Parks Operations provides an efficient balance and productive environment in resolving a variety of issues.

The newly implemented Bylaw Adjudication administration system, allows parking and other bylaw violations to be heard by a provincially accredited adjudicator. This system provides an

additional option to the public while, at the same time, reducing the legal costs to the City associated with challenges to bylaw offenses.

A dedicated parking administration clerk is centrally located downtown to assist and advise patrons on all aspects of facility parking, violation procedures and general bylaw enforcement information. Parking administration operates out of the CPSO office to offer a further link between parking services and the downtown bylaw and RCMP departments. The coordination of the administration and the enforcement aspects further increases the level of communication between these closely linked services.

In-house administration has improved management of parking services contracts including the review and implementation of user agreements with the hotel and casino. The proactive implementation and overseeing of large scale facility upkeep and upgrades now keeps the City's asset management and strategic management goals in the forefront.

The ambassadorial approach to parking enforcement and security downtown has now been successfully implemented and is well received by downtown business and residents.

#### DISCUSSION:

The Letter of Understanding with CUPE for the trial period for Parking Services is set to expire 2015-DEC-31. (See Attachment B, page 18)

#### 2015 Operations Update

2015 will be the first full year of operations under the new rate structure that went into effect in October 2014. The projected net operating surplus for 2015 is \$450,639 before debt repayment and transfer to reserve. (See Attachment A, page 12 for 2015 Parking Operations figures).

Items to be considered if an external business model such as the one used prior to 2013 is pursued:

1. A budget transfer to Regulatory Services of approximately \$78,000 for the reassignment of one Bylaw Officer.
2. The total service area patrolled for daytime security may be reduced.
3. Parking enforcement and administration would be provided by an external contractor.
4. Meters and the citation system are currently provided under contract set to expire in 2018.
5. Elimination of the Parking Manager/Assistant Manager Bylaw Regulatory and Security position will result in lesser proactive services and long term planning.

Based on an estimate provided by an outside contractor, a comparison of projected annual operating and maintenance expenditures using an in-house model and an external model has been provided.

**Total Operating and Maintenance Expenditures - In-House Model Based on 2015 Budget**

	<b>In-House Model</b>	<b>External Contractor Model</b>
Wages and Benefits	505,147	8,947
Services and Supply Contracts	538,598	925,462
Utilities	81,277	81,277
Materials & Supplies	35,240	12,040
Internal Charges & Other	167,731	161,971
<b>Annual Operating and Maintenance Expenditures</b>	<b>1,327,993</b>	<b>1,189,697</b>
<b>Estimated Savings</b>		<b>138,296</b>
Less: Transfer to Regulatory Services Budget		78,000
<b>Net Estimated Savings</b>		<b>60,296</b>

External Contractor Assumptions:

1. Commissionaires will continue to provide night security coverage.
2. Current contracts with Robbins Parking for on-street coin collection, supply of parking meters and citation system will remain in effect until they expire in 2018.
3. Contractor will provide parking enforcement (3 patrollers/day – 8 hr shifts) 07:00 – 17:30, 7 days a week.
4. Fair wage clause will apply to parking enforcement – Level 1 rate.
5. Daytime security (two patrollers) would be contracted 07:00 – 17:30, 7 days a week.

Three bylaw enforcement officers/parking patrollers, parking manager and parking clerk positions would be eliminated and one bylaw enforcement/parking patroller would be transferred to Regulatory Services.

Additional Future Opportunities With In-House Parking Services

1. Continued development of parking management strategies
  - Hospital Residential Areas
  - University Residential Areas
  - Brechin Hill (Ferry Terminal) Area
2. Maximize parking enforcement services through further implementation of License Plate Recognition.
3. Upgrade technology systems for large parkade users such as Coast Bastion Hotel resulting in City cost savings.
4. Integrate the City's Adjudication system with other island municipalities to further decrease the cost to the City.
5. Continue to work with the Province on improving the adjudication system.

SUMMARY

Bringing parking regulation in-house in 2013 has resulted in consolidation of a number of functions into a single service that has been well received by the downtown community. Managing parking and related functions in-house has led to a proactive response to asset management, new technology and the constant demand to balance the needs of the many stakeholders who are impacted by parking regulations.

Respectfully submitted,



Rod Davidson  
Manager of Parking Services  
Assistant Manager of Bylaw, Regulation & Security

Concurrence by:



Toby Seward  
Acting General Manager  
Community Development and Protective Services

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-SEP-10  
ICRPT2015SEP28-In-HouseParkingServices  
RD:cr

## Attachment A

### **Parking Update August 2015**



## INTRODUCTION

This report will provide an overview of the provision of parking services including:

- Parking Services Background – Parking Enforcement History and Parking Reserve
- Parking Services – Former Business Model (External Contractor)
- Parking Services – Current Business Model (In-House)
- Parking Services – 2015 Operations Update
- Parking Services – Summary of Operations 2012 - 2015
- Parking Services – In-House Model or External Contractor Model Decision
- Parking Services – Futures Considerations

## PARKING SERVICES – BACKGROUND

The City of Nanaimo (the City) provides a number of parking options for the public. In addition to metered street parking, the City operates three parkades:

- Bastion Street Parkade
- Harbour Front Parkade
- Port of Nanaimo Centre

The City also operates seven parking lots:

- Wallace and Wentworth Parking Lot
- Prideaux/Franklyn Street Parking Lot
- Dunsmuir Street Parking Lot
- Cavan Street Parking Lots
- Maffeo Sutton Park
- Brechin Boat Ramp
- Selby Street Parking Lot

## Parking Enforcement History

At the 2012-MAY-14 Council meeting, a motion was passed “that Council authorize staff to proceed with administration and enforcement of downtown parking using City resources”. Previously, parking administration, enforcement, and security was provided by external contractors. The Manager of Bylaw, Regulatory & Security provided management oversight.

The objective of the motion was to combine parking enforcement with downtown security and ambassadorial roles. The anticipated benefits included:

- Integration of parking enforcement, bylaw enforcement, and security services.
- Utilization of the Community Policing & Services Office (CPSO) located on Victoria Crescent as a centre for downtown public safety operations, communication, education, and enforcement.
- Meeting the City’s strategic objectives and effectively serving all stakeholders.
- Development of in-house expertise to manage and deliver parking and security services across the City in a coordinated manner.

Staff indicated that in-house parking management would result in improved delivery of downtown bylaw services. A direct link between bylaw enforcement and RCMP resources would provide an integrated response to issues in the downtown area and contribute to improved community safety and security. Bylaw enforcement officers would also be ambassadorial, friendly, and knowledgeable contacts for Nanaimo citizens and visitors.

A letter of understanding, agreeing to a trial period of in-house administration and enforcement of downtown parking to expire no later than 2015-DEC-31 was signed with CUPE Local 401.

### **Parking Reserve**

The net profit (excess revenues over expenses) from operations is transferred to a parking reserve that funds debt payments, future operations, and parking projects.

The City currently has an outstanding loan with the Royal Bank for the Harbourfront Parkade which will mature in 2021. Annual principal and interest payments total \$185,758 and are currently funded from the parking reserve.

Parking projects in the current 2015 - 2019 Financial Plan are funded by a combination of the parking reserve, the City's asset management reserve, and the sustainability reserve. Planned projects are primarily for infrastructure renewal.

### **PARKING SERVICES – FORMER BUSINESS MODEL (EXTERNAL CONTRACTOR)**

The last full year of service delivery by external contractors was 2012 which resulted in a net operating surplus of \$438,752 before debt repayment and transfer to reserve.

**City of Nanaimo  
Parking Operations - External Contractor  
For Year Ending December 31, 2012**

	<b>Actuals</b>
Parking Fees	575,954
Parking Permits	478,094
Parking Meter Hood Rental	3,640
Parking Fines	254,266
City Property Rentals	30,000
Other	-
<b>Total Operating Revenues</b>	<b>1,341,954</b>
Wages and Benefits	5,975
Services and Supply Contracts	664,875
Utilities	60,761
Materials & Supplies	25,092
Internal Charges & Other	146,499
<b>Total Operating and Maintenance Expenditures</b>	<b>903,202</b>
<b>Net Operating Surplus</b>	<b>438,752</b>
Debt Repayment	185,758
<b>Net Surplus Transferred to Parking Reserve/(Loss)</b>	<b>252,994</b>

## **PARKING SERVICES – CURRENT BUSINESS MODEL (IN-HOUSE)**

The City moved to an in-house parking services model on 2013-MAR-01. A Parking Manager/Assistant Manager Bylaw Regulatory and Security, three Bylaw Enforcement Officers – Parking Patrollers, and a Parking Clerk were hired. A Bylaw Enforcement Officer who previously handled downtown issues was transferred to Parking Services from Bylaw Services. Total staffing for the department is 6.0 FTE's.

In-house management of parking services provides:

- Improved coordination of parking services and implementation of best practices including; management of all contracts relating to parking, parking facility repair and maintenance, and security.
- Inter-departmental communication – coordinates with Traffic Engineering in developing new parking management strategies in downtown and heavily congested areas in other parts of the City.
- Asset management – provides input on development and implementation of the asset management plan for parking infrastructure to maximize service life of assets.
- Improved communication with community stakeholders - including downtown and neighbourhood groups such as the Hospital Area Neighborhood Association, Nob Hill Residents Association, Nanaimo Old City Quarter Organization and the Nanaimo Port Authority.

## **Significant Operating Changes**

The in-house model created the following service level and delivery changes:

- Provides the City direct control of parking services allowing for a quicker and more proactive approach in addressing parking issues including enforcement, security, and maintenance issues.
- Provides in-house security patrols of all City parking facilities, downtown City parks, downtown streets and the waterfront area seven days a week. A visible uniformed presence provides the public with consistent access to assistance. The bylaw officer's peace officer status provides them with the authority to enforce bylaws.
- Provides cross-departmental coordination with RCMP, Municipal Bylaw Enforcement, Bylaw Services, Fire Department and Parks Operations to create a safer and more welcoming environment in the downtown.
- Provides administration of the Bylaw Adjudication system for all regulatory bylaw offenses, and allows for parking violations to be heard by a provincially accredited Adjudicator.
- Provides dedicated parking administration clerk located in the Downtown Community Policing and Services Office to assist and advise parking patrons on all aspects of facility parking, violation procedures, and bylaw enforcement assistance.

- Provides improved management of parking services contracts including user agreements with the Coast Bastion Hotel and The Great Canadian Casino and facility repair and maintenance contracts.

The first full year of service delivery in-house was 2014 which resulted in a net operating surplus of \$276,983 before debt repayment and transfer to reserve.

**City of Nanaimo  
 Parking Operations - In-House  
 For Year Ending December 31, 2014**

	<b>Actuals</b>
Parking Fees	714,593
Parking Permits	579,301
Parking Meter Hood Rental	2,210
Parking Fines	140,387
City Property Rentals	30,000
Other	23,034
<b>Total Operating Revenues</b>	<b>1,489,525</b>
Wages and Benefits	499,843
Services and Supply Contracts	468,217
Utilities	84,686
Materials & Supplies	25,311
Internal Charges & Other	134,483
<b>Total Operating and Maintenance Expenditures</b>	<b>1,212,542</b>
<b>Net Operating Surplus</b>	<b>276,983</b>
Debt Repayment	185,758
<b>Net Surplus Transferred to Parking Reserve/(Loss)</b>	<b>91,225</b>



## PARKING SERVICES – 2015 OPERATIONS UPDATE

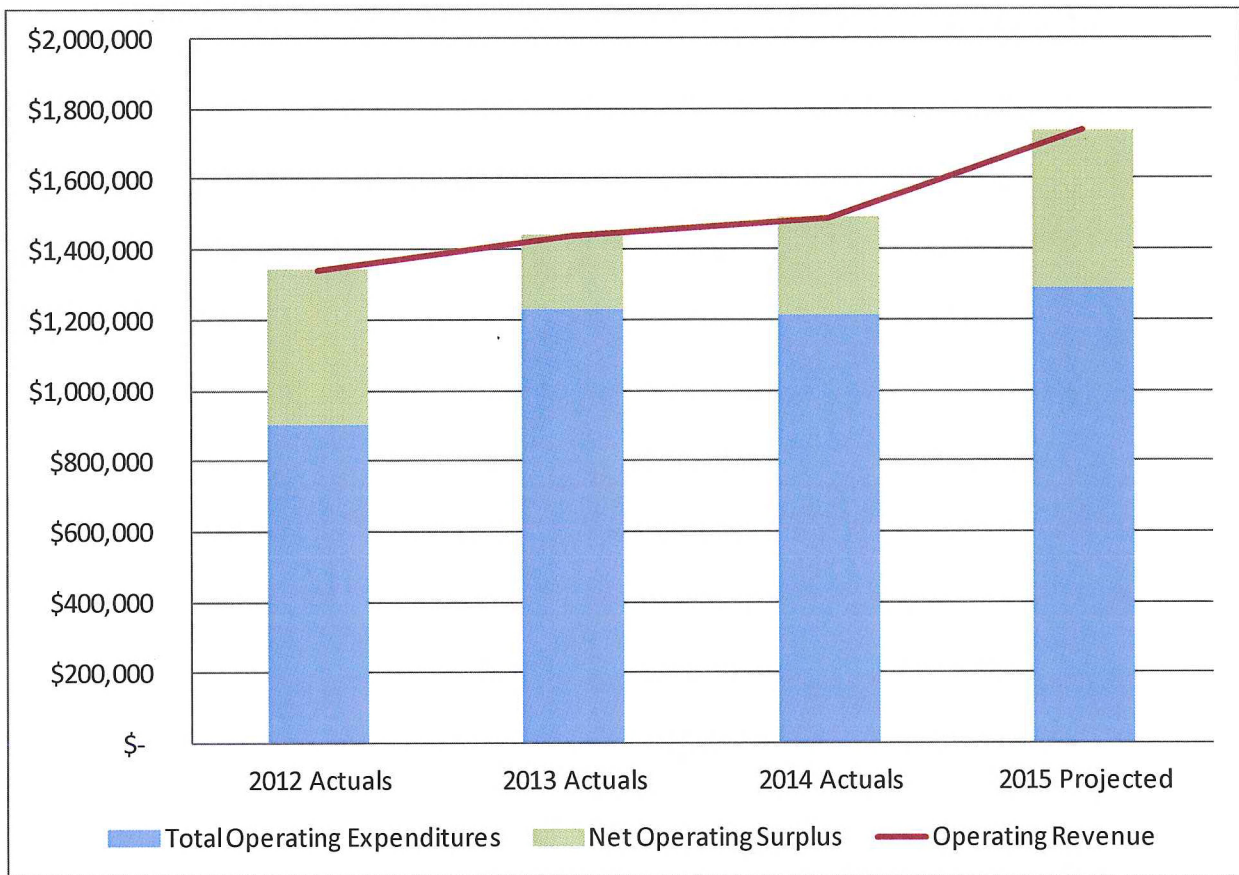
In June 2015 a retrofitted vehicle with license plate recognition technology went into service. The new technology allows for patrol areas to be expanded without the need for more staff, it also provides a more consistent approach to on-street parking enforcement.

2015 will be the first full year of operation under the new rate structure that went into effective in October 2014. The projected net operating surplus for 2015 is \$450,639 before debt repayment and transfer to reserve.

### City of Nanaimo Parking Operations

	2015 Budget	Actuals to July 31, 2015	Projection to December 31, 2015
Parking Fees	634,668	414,320	
Parking Permits	745,520	414,774	
Parking Meter Hood Rental	2,000	2,220	
Parking Fines	36,500	81,887	
City Property Rentals	30,000	17,500	
Other	8,060	14,584	
<b>Total Operating Revenues</b>	<b>1,456,748</b>	<b>945,285</b>	<b>1,737,755</b>
Wages and Benefits	505,147	295,661	
Services and Supply Contracts	538,598	291,391	
Utilities	81,277	44,355	
Materials & Supplies	35,240	12,586	
Internal Charges & Other	167,731	58,597	
<b>Total Operating and Maintenance Expenditures</b>	<b>1,327,993</b>	<b>702,589</b>	<b>1,287,116</b>
<b>Net Operating Surplus</b>	<b>128,755</b>	<b>242,696</b>	<b>450,639</b>
Debt Repayment	185,758	108,359	185,758
<b>Net Surplus Transferred to Parking Reserve/(Loss)</b>	<b>(57,003)</b>	<b>134,337</b>	<b>264,881</b>

**SUMMARY OF OPERATIONS 2012 – 2015**





## **PARKING SERVICES – IN-HOUSE MODEL OR EXTERNAL CONTRACTOR MODEL DECISION**

The letter of understanding with CUPE Local 401 for the trial period of in-house administration and enforcement of downtown parking is set to expire on 2015-Dec-31 at which time Council can choose to continue with the provision of in-house services or return to the provision of services by an external contractor.

Items to be considered with returning to an external contractor model include:

- A budget transfer of approximately \$78,000 would occur to the Bylaw Services Section, as the Bylaw Enforcement Officer transferred to Parking Services when the City moved to an in-house model would be transferred back to the Bylaw Services Section.
- The total service area patrolled for daytime security may be reduced.
- Parking enforcement and administration would be provided by an external contractor.
- The supply of parking meters and the citation system is currently provided by an external contractor. These contracts do not expire until 2018. The potential for bundling of parking enforcement, administration, supply of parking meters and citation system into one contract could reduce the cost of using an external contractor.
- Elimination of the Parking Manager/Assistant Manager Bylaw Regulatory and Security position would provide a reduced level of service. A dedicated manager provides one point of contact and oversees parking enforcement, administration, security operations as well as assists in bylaw enforcement and animal contract issues.
- Bylaw Enforcement Officers – Parking Patrollers have the ability to enforce and resolve various issues simultaneously. Parking enforcement contractors can only enforce parking violations while security contractors can only observe and report security issues as they do not have the authority to enforce.
- Potential ways to decrease costs of external contractor model could include; reducing the number of parking enforcement patrollers, reducing security coverage, cost sharing with other stakeholders for daytime security, and bundling components of Parking Services contract.

Based on estimates provided by Robbins Parking and Canadian Corps of Commissionaires, a comparison of projected annual operating and maintenance expenditures for provision of Parking Service using an in-house model and an external contractor model has been provided.

The in-house model provides day time security and parking enforcement coverage delivered by 4.0 FTE's.

The external contractor model provides day time security and parking enforcement coverage delivered by 8.0 FTE's through two contractors.

**City of Nanaimo  
 Parking Operations  
 Total Operating and Maintenance Expenditures - In-House Model Based on 2015 Budget**

	<b>In-House Model</b>	<b>External Contractor Model</b>
Wages and Benefits	505,147	8,947
Services and Supply Contracts	538,598	925,462
Utilities	81,277	81,277
Materials & Supplies	35,240	12,040
Internal Charges & Other	167,731	161,971
<b>Annual Operating and Maintenance Expenditures</b>	<b>1,327,993</b>	<b>1,189,697</b>
<b>Estimated Savings</b>		<b>138,296</b>
Less: Transfer to Bylaw Services Budget		78,000
<b>Net Estimated Savings</b>		<b>60,296</b>

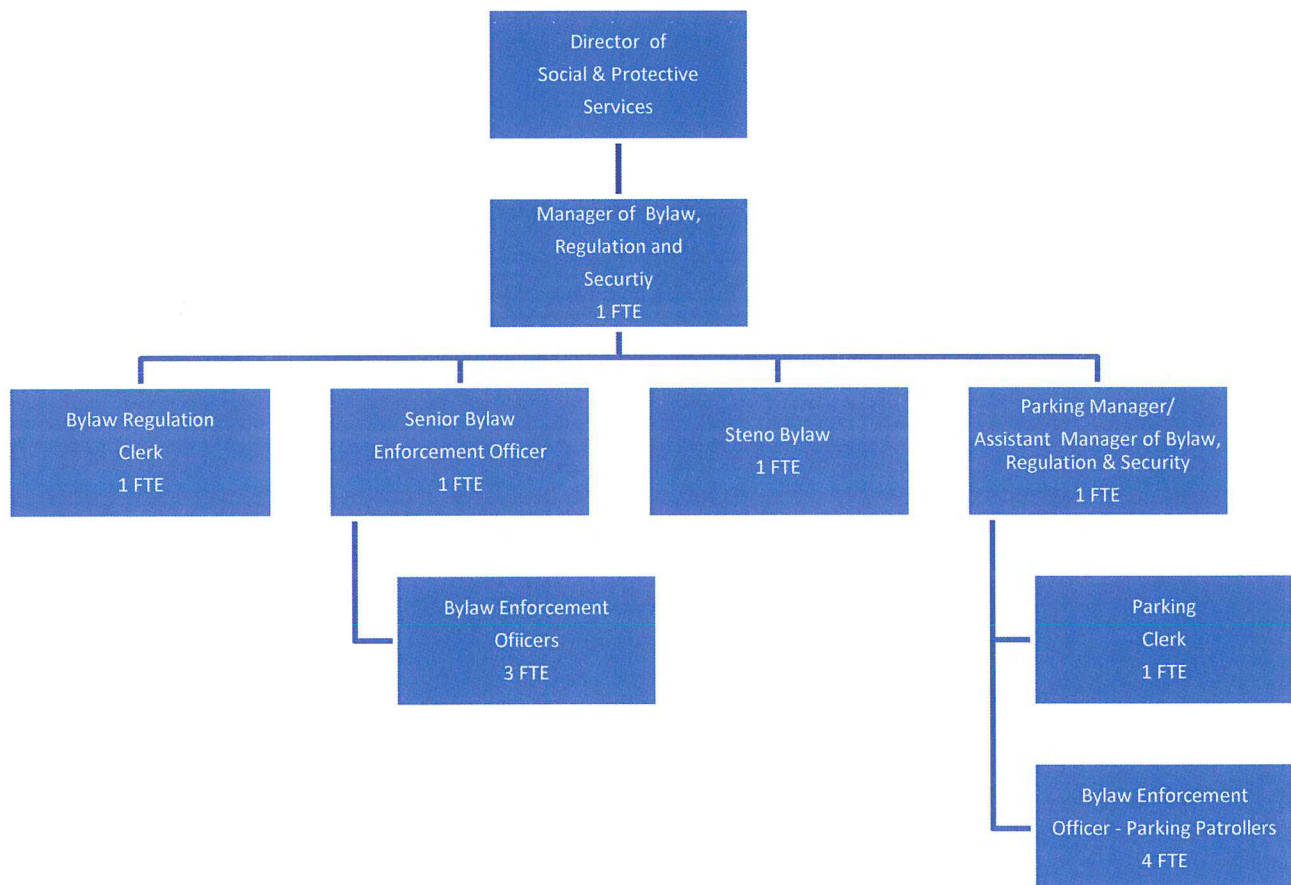
External Contractor Assumptions:

1. Commissioners will continue to provide evening security coverage
2. Current contracts with Robbins Parking for on-street coin collection, supply of parking meters and citation system would remain in effect until they expire.
3. Contractor will provide parking enforcement (3 patrollers/day - 8 hr shifts) 07:00 - 17:30, 7 days a week
4. Assume fair wage clause will apply for parking enforcement - level 1 rate
5. Day time security would be contracted (2 patrollers/day - 8 hr shifts) 07:00 - 17:30, 7 days a week
6. Three bylaw enforcements officers - parking patrollers, parking manager and parking clerk positions would be eliminated and one bylaw enforcement - parking patroller would be transferred to Regulatory Services

**ADDITIONAL FUTURE OPPORTUNITIES FOR PARKING SERVICES INCLUDE:**

- Continued development of various parking management strategies for the Downtown and other large user areas within the City that require parking solutions. (Hospital, University residential areas, and Brechin Hill area)
- Maximize parking enforcement services through further technology implementation of License Plate Recognition.
- Upgrade technology systems from manual (paper) to digital passes for large parkade users such as Coast Bastion Hotel resulting in City cost savings.
- Integrate the City's adjudication system with other island municipalities to further decrease the cost of this service to the City.
- Continue to work with the Province on updating and improving the adjudication system on a provincial level.

**APPENDIX**  
**BYLAW SERVICES ORGANIZATIONAL CHART**



## Attachment B

### LETTER OF UNDERSTANDING

#### BETWEEN

CITY OF NANAIMO

#### AND

CANADIAN UNION OF PUBLIC EMPLOYEES  
LOCAL 401

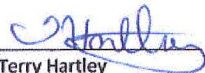
Re: Downtown Parking Enforcement

In recognition of the innovative agreement between the Employer and Union to move the downtown parking enforcement services currently being provided by an external contractor in-house, the City of Nanaimo and CUPE Local 401 agree to the following:


1. The employer agrees to incorporate the downtown parking enforcement services currently provided by an external contractor under the City of Nanaimo contract description, "Parking Operations Management and Enforcement Services Agreement" into the current Collective Agreement within the Bylaw enforcement department.
2. The newly created classification will encompass responsibilities relating to bylaw enforcement, parking, security and diplomacy. For greater clarity, this classification will have the same qualifications and pay rate as the current Bylaw Enforcement Officer classification. This position will be posted.
3. The work day and work week schedule for the new position will cover the period of Monday to Sunday, 7:00 a.m. – 9:00 p.m. 7 hour day, 35 hour week. The provisions of 18(d) shall apply to this classification.
4. The newly created classification is specifically excluded from the application of Article 27 (a) and Article 32 of the Collective Agreement for a period not to expire prior to December 31, 2015. After this date these provisions of the Collective Agreement will apply.
5. Should services revert to a third party contractor prior to December 31, 2015 expiry date the services provided will be not be viewed as work normally performed in the future.
6. The employer may continue to use contractors to collect the coins and other monies from parking meters and kiosks. The parties agree Article 31 shall not apply to this work, or to any security work within the corporation. When practical, the employer will utilize the Commissionaires to collect the coins and other monies from parking meters and kiosks.
7. The City reserves the right to cancel this letter of understanding for any reason and revert to a third party contractor upon 60 days notice. Should the City cancel this letter of understanding, the Union reserves the right to file a grievance under Article 31 of the Collective Agreement.

Signed this 18<sup>th</sup> day of May 2012

For the Employer

  
Terry Hartley  
Director, Human Resources

For the Union

  
Blaine Gurrie  
President, Local 401



**MINUTES**  
REGULAR MEETING OF THE  
ADVISORY COMMITTEE ON ENVIRONMENTAL SUSTAINABILITY  
BOWEN COMPLEX CONFERENCE ROOM  
500 BOWEN ROAD  
WEDNESDAY, 2015-JUL-08, AT 4:30 P.M.

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PRESENT: Gail Adrienne, Chair

Members: Daniel Appell  
Emil Bock  
Councillor Diane Brennan  
Colin Brown  
Richard Finnegan (*arrived @ 4:55 p.m.*)  
Wally Wells

Staff: Richard Harding, Director, Parks, Recreation and Environment  
Rob Lawrance, Environmental Planner  
Kevin Brydges, Environmental Bylaw Enforcement Officer  
Charlotte Davis, Manager of Sanitation, Recycling & PW Admin  
Alana Gaetz, Recording Secretary

REGRETS: Glenda Hunter  
Calvin Tant

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1. **CALL THE OPEN MEETING TO ORDER:**

The Regular Meeting was called to order at 4:38 p.m.

2. **INTRODUCTION OF LATE ITEMS:** (None.)

3. **ADOPTION OF AGENDA:**

It was moved and seconded that the Agenda be adopted. The motion carried unanimously.

4. **ADOPTION OF MINUTES:**

It was moved and seconded that the minutes of the Regular Advisory Committee on Environmental Sustainability meeting held Wednesday, 2015-JUN-10 at 4:33 p.m. in the Bowen Complex Conference Room be adopted as circulated. The motion carried unanimously.

5. **PRESENTATIONS:**

(a) Wolves of Yellowstone – Kevin Brydges.

Mr. Brydges started his presentation with the viewing of a video "How Wolves Change Rivers" <https://www.youtube.com/watch?v=ysa5OBhXz-Q> and then provided a brief overview of the reintroduction of wolves at Yellowstone National Park.

It was moved and seconded that the presentation be received. The motion carried unanimously.

6. **CHAIR'S REPORT:**

- (a) Review requirement for an ACES meeting in August.

It was moved and seconded that the 2015-AUG-12 meeting of the Advisory Committee on Environmental Sustainability be cancelled, with the next scheduled meeting of the Committee to be held on Wednesday, 2015-SEP-09, at 4:30 p.m. The motion carried unanimously.

7. **STAFF REPORTS:**

- (a) The Blue Dot Project and the Declaration on the Right to a Healthy Environment (REVISED) – R. Lawrance, Environmental Planner.

It was moved and seconded that the Advisory Committee on Environmental Sustainability provide staff with input and recommend that Council endorse the declaration of "The Right To A Healthy Environment", as amended. The motion carried unanimously.

- (b) Oil to Heat Pump Incentive Program – R. Lawrance, Environmental Planner.

It was moved and seconded that the Advisory Committee on Environmental Sustainability receive this report for information. The motion carried unanimously.

- (c) Canada Geese in Nanaimo – K. Brydges, Environmental Bylaw Enforcement Officer.

It was moved and seconded that the Advisory Committee on Environmental Sustainability receive this report for information. The motion carried unanimously.

- (d) Information Only Items:

- i. Environmental Services Monthly Report – June 2015.
- ii. Invasive Plant Awareness Month – Rob Lawrance.
- iii. Nanaimo Parksville Qualicum Knotweed Alert 2015 – Rob Lawrance.
- iv. Beverage Container Recycling Coming to Downtown Areas and Parks – Charlotte Davis.
- v. Collection of Organics in Multi-Family Buildings – Charlotte Davis.

It was moved and seconded that the information only items be received. The motion carried unanimously.

8. **CORRESPONDENCE:**

- (a) E-mail dated 2015-JUN-23 from Nanaimo CarShare Cooperative regarding Nanaimo CarShare Cooperative Adds Vehicle, Hub.

It was moved and seconded that the correspondence be received. The motion carried unanimously.



9. **NOTICE OF MOTION:** (None.)

10. **OTHER BUSINESS:**

It was moved and seconded that other business be reviewed. The motion carried unanimously.

(a) **ACER “Our Horizon” Initiative.**

It was moved and seconded that this be received for information. The motion carried unanimously.

*Diane Brennan left the meeting at 5:54 p.m. and returned at 5:56 p.m.*

(b) **Keighly Creek Retaining Wall.**

No motion was made.

(c) **Green Nanaimo Awards Nominations Deadline.**

It was moved and seconded that the Advisory Committee on Environmental Sustainability hold a special meeting to review nominations. The motion carried unanimously.

11. **DELEGATIONS:** (None.)

12. **QUESTION PERIOD:** (No questions.)

13. **ADJOURNMENT:**

It was moved and seconded at 6:27 p.m. that the meeting adjourn. The motion carried unanimously.

APPROVED AS READ:



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Gail Adrienne, Chair  
Advisory Committee on Environmental Sustainability

APPROVED FOR DISTRIBUTION:



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Richard Harding, Director  
Parks, Recreation and Environment

CERTIFIED BY:

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Corporate Officer  
City of Nanaimo

**MINUTES**  
NANAIMO CULTURE AND HERITAGE COMMISSION  
MEETING HELD WEDNESDAY, 2015-JUL-15 HELD AT 4:30 PM  
IN THE BOARD ROOM OF THE SERVICE & RESOURCE CENTRE (411 DUNSMUIR STREET)

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**PRESENT:** D. Appell J. Stannard D. Johnstone, Chair  
J. Manning J. Howardson M. Robinson  
D. Marusin R. MacKay D. Brennan  
R. Finnegan

**REGRETS:** W. Pratt

**GUESTS:** Rick Hyne, Applicant (37 Commercial Street)  
Dennis McMahon, Resident

**STAFF:** S. Samborski, Senior Manager of Culture and Heritage  
C. Sholberg, Culture & Heritage Planner  
C. Barfoot, Culture & Heritage Coordinator  
R. Buckler, Recording Secretary

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**1. CALL MEETING TO ORDER:**

Chair D. Johnstone called the meeting to order at 4:31 pm.

**2. INTRODUCTION OF LATE ITEMS:**

None.

**3. ADOPTION OF AGENDA:**

It was moved and seconded that the agenda be adopted as presented. The motion carried unanimously.

**4. ADOPTION OF MINUTES:**

It was moved and seconded that the Minutes of the Nanaimo Culture and Heritage Commission meeting held 2015-JUN-03 be adopted as presented. The motion carried unanimously.

J. Howardson entered the meeting at 4:34 pm.

**5. PRESENTATIONS:**

None.

**6. CHAIR'S REPORT:**

D. Johnstone apologized for missing the Culture Splat on June 24. S. Samborski provided a verbal update on recent vandalism to the Spindle Whorl, noting that the artwork has been removed by Parks crew and delivered to the artist for strengthening and reinforcement.

D. Appell arrived at 4:41 pm.

It was moved and seconded that the Chairs Report be received as presented. The motion carried unanimously.

7. **REPORTS OF ADVISORY BODIES & PARTNERS:**

- (a) Design Advisory Panel – No report.
- (b) Grants Advisory Committee – No report.
- (c) Nanaimo Community Archives Society – No report.
- (d) Port Theatre – May / June 2015.
- (e) Nanaimo Art Gallery – June 2015.
- (f) Nanaimo District Museum – May / June 2015.

J. Manning added that the numbers are down for this year because schools are no longer paying to bus students in during school hours. The Museum is looking at using Moodle (an online program) to offer programming to elementary students online. As well, an important artifact was recently stolen (watch). Thankfully it was returned and the Museum will be installing a comprehensive security and video system, as well as building a new display case for the watch.

- (g) Harbour City Theatre – June 2015

It was moved and seconded that the above-noted reports be received as presented. The motion carried unanimously.

8. **REPORTS OF WORKING GROUPS:**

- (a) Art in Public Places Working Group.
- (b) Culture & Heritage Awards Working Group.

9. **STAFF REPORTS:**

- (a) **Heritage Conservation Program – Review & Update Initiative  
by C. Sholberg, Culture & Heritage Planner.**

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Staff Recommendation: That the Culture and Heritage Commission receive the report for information.

C. Sholberg introduced the report, which outlines the process for the upcoming review and update of the heritage conservation program.

It was moved and seconded that the report be received as presented. The motion carried unanimously.

- (b) **Application for Heritage Façade Grant – Hall Block (37 Commercial Street)  
by C. Sholberg, Culture & Heritage Planner.**

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Staff Recommendation: That the Culture and Heritage Commission recommend that Council approve a \$845.25 heritage façade grant for the exterior rehabilitation of the Hall Block, located at 37 Commercial Street, subject to conditions specified in the report.

C. Sholberg introduced the application, which is requesting a heritage façade grant for an exterior improvements to their building (awning replacement). As the

pinstripe awning material is no longer available, the applicant will use a solid color (forest green or burgundy) for the new awnings, which satisfies the City's guideline requirements for heritage buildings.

It was moved and seconded that the Culture and Heritage Commission recommend that Council approve a \$845.25 heritage façade grant for the exterior rehabilitation of the Hall Block, located at 37 Commercial Street, subject to conditions specified in the report.

The motion carried unanimously.

Applicant R. Hyne left the meeting at 5:00 pm.

(c) **Grant Application Review Process**  
**by C. Barfoot, Culture & Heritage Coordinator.**

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Staff Recommendation: That the Culture and Heritage Commission approves Option A) a full Culture and Heritage Commission funding review process, to administer the 2016 cultural funding allocations.

C. Barfoot introduced the report, which outlines options for the Culture and Heritage Commission funding review process for 2016 cultural funding allocations (Culture & Heritage Operating Grants; and Culture & Heritage Project Grants).

It was moved and seconded that the Culture & Heritage Commission approve Option A) a full Culture and Heritage Commission funding review process, to administer the 2016 cultural funding allocations. The motion was carried unanimously.

(d) **Activity Update (June 2015)**  
**by C. Barfoot, Culture & Heritage Coordinator.**

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Staff Recommendation: That the report be received as information.

It was moved and seconded that the report be received as presented. The motion carried unanimously.

(e) **Activity Update (June 2015)**  
**by C. Sholberg, Culture & Heritage Planner.**

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Staff Recommendation: That the report be received as information.

It was requested that staff schedule a tour of the Harmac Arboretum for Commission members (July or August).

It was moved and seconded that the report be received as presented. The motion carried unanimously.

10. **CORRESPONDENCE:** (not related to a report to the Commission)

- (a) Letter dated 2015-MAY-29 from Minister of Environment re: Entrance Island Lighthouse designated under Heritage Lighthouse Protection Act; AND Heritage Lighthouse Protection Act: Statement of Significance.

- (b) Letter dated 2015-JUN-03 from Nanaimo Conservatory of Music re: Council intention to change current funding structure for arts and culture grants.
- (c) Memo dated 2015-JUN-17 from Legislative Services Department re Assistance for Chairs of Committees (101 Boardroom Problems and How to Solve Them).
- (d) Letter dated 2015-JUN-22 from Nanaimo Blues Society re thank you for 2015 Grants.
- (e) Final report from Bookfest re 2015 arts & cultural festivals and events grant.
- (f) 2015 Heritage Paint Out / Shoot Out (2015-JUL-26).

Staff noted that on Sunday, 2015-JUL-26, the Commission will co-host the 18<sup>th</sup> annual Heritage Paint Out / Shoot Out. Painters and photographers meet at #4 Commercial Street at 10:00 am where they draw randomly for a heritage building location supplied by the City. They then spend the day painting and photographing their selected building, returning with a presentation-ready piece where the work is judged (at 2:00 pm) to receive cash prizes totalling \$500. The event is free to view and \$10 for Nanaimo Arts Council members, \$12 for non-members to enter (register on day of event).

Staff requested volunteers to assist with hosting the Culture & Heritage information booth and judging of artworks. Staff will send full event details and reminder to willing Commissioners via email after the meeting.

- (g) Key Date Calendar (2015) – Updated
- (h) Heritage BC Quarterly (Spring 2015)

It was moved and seconded that the above-noted correspondence be received as presented. The motion carried unanimously.

**11. NOTICE OF MOTION:**

None.

**12. OTHER BUSINESS:**

- (a) At the 2015-JUN-03 Culture and Heritage Commission Meeting, Commissioner Mark Robinson advised that he would be bringing forward the following Motion for consideration at the 2015-JUL-15 Culture and Heritage Commission Meeting:

That the Culture and Heritage Commission consider or discuss alternate deadline / intake processes for Heritage Façade Improvement Grant applications as opposed to the current process, which is on a first-come, first served basis.

The motion was seconded.

Discussion: Staff noted that letters are sent each year directly to all eligible building owners, encouraging them to apply. In 2014, there were no applications received; this year, there have been multiple. A comparison of the last five years shows that the majority of applications are considered during the first quarter of the year, but some mid-year. Staff feel that flexibility is a good thing – the more applications, the better. Intake can be difficult to anticipate.

Opposed: All members.

The motion was defeated.

13. **DELEGATIONS** (not related to a Report to the Commission): (10 MINUTES)

None.

14. **QUESTION PERIOD:** (*Agenda items only.*)

a) Nob Hill Stairs (J. Howardson).

For information. J. Howardson provided a quick verbal update on a project the Nob Hill Neighbourhood Association's Cavan Street stair-painting project. The Nanaimo Arts Council referred her to an artist (Rob Corriani) who has agreed to paint the stairs. It is hoped that painting will begin at the end of July.

15. **NEXT MEETING:**

There will be no meeting held in August. The next regular meeting is scheduled for **4:30 pm on Wednesday, 2015-SEP-02 at 4:30 pm in the Board Room**, of the Service & Resource Centre (411 Dunsmuir Street).

16. **ADJOURNMENT:**

It was moved and seconded that the meeting be adjourned at 5:50 pm. The motion carried unanimously.

**APPROVED BY:**



DIANA JOHNSTONE, CHAIR  
NANAIMO CULTURE AND HERITAGE COMMISSION

**CONCURRENCE BY:**



SUZANNE SAMBORSKI  
SENIOR MANAGER, CULTURE AND HERITAGE

**CERTIFIED CORRECT:**

  
Dina Smith  
CORPORATE OFFICER



**The Colliery Dams Select Committee has been disbanded.  
These Minutes dated 2015-AUG-31 will remain in UNADOPTED status.**

**MINUTES OF THE COLLIERY DAMS SELECT COMMITTEE  
HELD IN THE BOARD ROOM, SERVICE & RESOURCE CENTRE, 411 DUNSMUIR STREET  
ON MONDAY, 2015-AUG-24 COMMENCING AT 4:00 P.M.**

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**PRESENT:**

Councillor Jim Kipp  
Emmy Manson, Snuneymuxw First Nation  
Leon Cake, Community-At-Large Member  
Wally Wells, Community-At-Large Member  
Peter Urquhart, Colliery Dam Park Preservation Society

**Absent:**

Councillor Bill Yoachim  
Chris Good, Snuneymuxw First Nation  
Lorne Gale, Colliery Dam Park Preservation Society

Michelle Corfield, Facilitator and Acting Chair  
Holly Pirozzini, Recording Secretary

1. CALL THE MEETING TO ORDER:

The meeting was called to order at 4:00 p.m.

2. ADOPTION OF AGENDA:

The Committee requested the following items be added to the agenda:

- Discussion of construction timeline and Comptroller concerns
- Timber value and use

It was moved and seconded that the agenda, as amended, be adopted. The motion carried unanimously.

3. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Colliery Dams Select Committee held in Room 1, Beban Park Complex, 2300 Bowen Road, Nanaimo, BC on Tuesday, 2015-AUG-18 at 6:00 p.m. be adopted as circulated. The motion carried unanimously.

4. UPDATE ON OUTSTANDING ACTION ITEMS:

Facilitator advised:

- park use numbers – park usage has not been recorded in recent years; however, in the past over 200 users per month were recorded.
- fish-bearing and fish habitat reports – There is no new information to provide to the Committee.
- archaeological studies - Letter from Millennia Research Limited to Snuneymuxw First Nation, dated 2015-JUL-31, regarding *Archaeological Monitoring – Geotechnical Testing Colliery Dam Auxiliary Spillway Option*. The City of Nanaimo requested archaeological monitoring to ensure due diligence in



identifying and protecting heritage resources. A Snuneymuxw First Nation representative participated in one day of field work on 2015-AUG-06. No updated information has been provided from Snuneymuxw First Nation Council.

- map of railway location – a map was not available for today's meeting.
- rationale for the location of the auxiliary spillway from Golder Engineering – Golder Engineering will provide a response within a week. Discussion occurred regarding adjustments to current auxiliary spillway location or relocation due to information gathered from test pits, significant tree locations, and presence of coal slag.
- request for another bore hole to be drilled – three bore holes were drilled during the week of 2015-AUG17 to -21 to determine bedrock depth.

5. UPDATE ON TENDERING PROCESS:

Four tender packages have been received and will be opened by a selection committee at the City's Purchasing Department, Public Works at 8:00 a.m. on Tuesday, 2015-AUG-25. The Colliery Dams Select Committee Facilitator will be present as a fairness monitor.

6. UPDATE ON TEST SITES (AUG 17 – 21 WORK ON SITE):

Bore holes were drilled and core samples were collected during the week of 2015-AUG-17 to -21. Bore hole drilling discovered glacial till and bedrock was reached in one bore hole at approximately 55 feet. Additional bore hole results will be available in the next two weeks.

7. REVIEW STUDY / REPORT DOCUMENT:

A Tree Management Plan will be provided by City Staff. Awaiting a written report regarding fisheries from Golder Engineering. Permits will be submitted to the Province through Front-Counter BC. Received a letter to the City from Transport Canada Navigable Waters Protection Program, dated 2015-AUG-04, advising that the spillway location falls outside the mandate of the *Navigation Protection Act*.

8. CURRENT RISK MITIGATION STRATEGY FOR THE PROPOSED CONSTRUCTION:

The Committee requested that staff provide a mitigation strategy for the construction phase, an updated evacuation plan, and information on riparian rights for City-based projects.

**Recommendation:** That Council request a reference check be done for the contractor awarded the construction contract to complete the auxiliary spillway construction at the Lower Colliery Dam, prior to awarding of the contract and that City staff oversee the project.

Requested the Facilitator to provide:

- information on the selection process by the Selection Committee and how negotiation will begin regarding all of the unknown costs;

- other terms and conditions to be negotiated between staff and the contractors;
- confirmation that a reference check will be done for the contractor awarded the construction contract for the auxiliary spillway; and
- confirmation that an independent monitor (could be City staff member) will be appointed to oversee the construction.

The Facilitator reported that she has been advised by Bylaw Services that police interaction will occur for civil disobedience usually within 7 days.

The Facilitator advised that the Selection Committee will provide an award recommendation for Council's approval at the 2015-AUG-31 Council meeting.

9. TIMBER VALUE AND USE:

**Recommendation:** That Council direct the trees removed from the auxiliary spillway construction site be utilized for park uses (construction of benches, tables for the park), City uses and Snuneymuxw ceremonial purposes.

**Recommendation:** That Council direct that Snuneymuxw First Nation be given procurement opportunities in Colliery Dam Park associated with clearing of the trees and other employment possibilities.

**Recommendation:** That Council be aware of the negotiated figure for the contractor awarded the construction contract and that a fairness monitor be present during the negotiations.

10. CONSTRUCTION TIMELINE AND COMPTROLLER CONCERNS:

This item was discussed and no action was forthcoming.

Emmy Manson left the meeting at 5:38 p.m.

11. IDENTIFY POTENTIAL REQUESTS TO GOLDER AND OTHER CONTRACTORS:

Request that Golder Engineering submit to the Select Committee all drawings and documentation that have been forwarded to the Comptroller.

Wally Wells left the meeting at 5:43 p.m.

12. IDENTIFY POTENTIAL LOGISTICAL AND TIMING ISSUES IN REGARDS TO THE REQUESTING OF ITEMS FROM CONTRACTORS AND RELEASE OF THE INFORMATION TO THE COMMITTEE:

This item was discussed and no action was forthcoming.

At this point, Councillor Kipp stated that he would no longer be able to be part of this Committee.

13. ADJOURNMENT:

The meeting concluded at 5:50 p.m.

\_\_\_\_\_  
ACTING CHAIR

CERTIFIED CORRECT:

\_\_\_\_\_  
CORPORATE OFFICER

4320-01



3091 West Broadway  
Vancouver BC V6K 2G9  
Tel: 604-871-0222 Fax: 604-871-0299  
Toll Free in BC 1-800-663-9283  
Website: [www.beautycouncil.ca](http://www.beautycouncil.ca)  
Email: [info@beautycouncil.ca](mailto:info@beautycouncil.ca)

September 11, 2015

Dear Mayor McKay,

In 2003 the Provincial Government deregulated the majority of trades in BC; Cosmetology was included in this change. Since that time, this association has seen an increase in concerns about qualifications to practice in the industry – from consumers, business owners, practitioners and municipalities. Of particular note has been a continued desire for Certification in order for businesses offering hairdressing, esthetic/spa services and/or nail services to demonstrate professional industry standards. BeautyCouncil recognizes that sanitation, prevention and Infection Control practices following both provinces' Personal Service Establishment Guidelines as to why we are asking for your support in the following items.

BeautyCouncil Western Canada Certificate of Qualification in Hair, Esthetics and Nails includes measures to evaluate professional client interaction and techniques for services. The Cosmetology Association Western Canada (dba BeautyCouncil) has been a provincially recognized Cosmetology Trade Association since 1929. We represent approximately 6000 Hairdressers, Estheticians and Nail Technicians Salon and Spa Owners in BC and Alberta.

BeautyCouncil is asking you to support our request to municipalities to revise their current business license Bylaw requirements for Cosmetology businesses (Hairdressing, Esthetics/Spa, Nail Technology) to require that the owner/operator produce and display the following documents issued by BeautyCouncil Western Canada:

- Current Membership
- Current Trade Certification to ensure the public that their practitioner is qualified in the trade of Hair, Esthetics and Nails.
- And or BeautySafe Level 1: Infection, Prevention and Control Certificate to ensure the public that their practitioner is following general sanitation practices when servicing clients.

The City of Surrey and New Westminster currently require as part of their Bylaws and Best Practices:

- BeautyCouncil Membership
- BeautyCouncil Certification of Qualification
- BeautyCouncil BeautySafe: Infection, Prevention and Control Certificate

*As a result, having these requirements has set industry standards to a new level and improved professional practices.*

The City of North Vancouver requires:

- BeautyCouncil Membership and Certificate of Qualification for Estheticians and Nail Technicians.

We have requested The City of North Vancouver to consider expanding this requirement to include Hairdressing.

☐ Council  
☒ Committee... of the whole  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2015-SEP-28

We are making a concerted effort to contact all municipalities in British Columbia (and eventually Alberta) to include these measures of qualified and hygienic customer practices as part of their Best Practices model. BeautyCouncil could be responsible to monitor and track member requirements through participation of each Municipality.

On behalf of the BeautyCouncil Western Canada, we thank you for your consideration and we look forward to ensure communication on this proposal. Please do not hesitate to contact me directly with any further questions.

Regards,

Kym Elderkin  
BeautyCouncil, School Liaison  
Cell: 604-703-4458  
Office: 604-871-0222  
[kym.elderkin@beautycouncil.ca](mailto:kym.elderkin@beautycouncil.ca)

Delegation Request

Ms. Kyla Karakochuk, on behalf of the United Way Central & Northern Vancouver Island, has requested an appearance before Council.

The requested date is September 28, 2015.

The requested meeting is:  
COW

Presenter's Information:

City: Nanaimo  
Province: BC  
Bringing a presentation: Yes

Details of Presentation:

United Way Campaign

☐ Council  
☒ Committee *of the Whole*  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: *2015-SEP-28*